THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

July 12, 1941

Japan Preparing New Military Adventures

An Editorial

Trouble for S'hai Business

BY JOHN AHLERS

Stalin Breaks His Silence

China's Wood Oil and Silk

BY C. Y. W. MENG

Kwangtung Women Enlist as Gendarmes

By William Chang

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What People Are Saying

Comments from readers on current topics are cordially invited; their opinions, however, do not necessarily represent the views of *The China Weekly Review*.

SHANSI FIGHTING

To the Editor:

Since March 8-June 2, 1941 there were some 20,000 Japanese enemies units from Pao-ai, Tsincheng, Changchih, Kuoping and Yanchang offended our Chinese bases on Tai-Hang mountain and Tai-yo mountain area frequently with a view to elimination of Chinese forces in southeastern Sansi and retreat Lo-Yang, capital of Honan province, Sian, capital of Shensi province. As well as we had 5 times heavy fighting within these several months. Especially on March 8 we accounted for more than 2,000 Japanese were killed by us at the short distance south of Ling-chuang.

On the last month 25, our Chinese troops were compelled to withdraw on the Tai-yo mountainous area. After several days of severe fighting, however, our forces launched a general counter-attack and cross two blockade zones of enemy. Now, we adopt the plan of guerillas war for continuing of war of resistance. The southeastern Sansi is now despite the isolated situation and the supplies of rear are also cut off by enemy. But we are by no means submit even until remained one soldier and one rifle.

It is out of man's accidental. In spite of under the difficult condition our Chinese troops are still living and the war of resistance are going on. I think that everyone cannot find out this in the history of foreign country.

According to the broadcasting of yesterday reported that Herr Hitler Adolf, leader of Germany, has declared war to U.S.R Now the fires of war have burned before the goal of Russia and blazoned around the whole world for all to see. It is evident that the so-called treaties, agreements, understandings and credits among the nations have gone with the wind of war. Then anyone believe that, the international robbery, so-called axis country Germany, Japan, Italy, will be strangled to death by the international justify.

We Chinese people thank the aid to China of U.S.A. and Great Britain. On account of she has the good friends, patriotic leader and self-struggle of whole masses. She will must achieve the final victory in the nearest future.

DR. C. Y. LIU

Ling-chuang Hsiang,
Shansi Province,
June 24, 1941

JAPAN'S DILEMMA

To the Editor:

With the outbreak of hostilities between Germany and Soviet Russia, the European war enters a new phase. It is generally believed that the motive which prompted Germany to launch a sudden attack on Russia was the need for oil and foodstuffs.

World attention is now focused on the reaction of Japan to the new war, in view of the fact that Japan is obliged to aid Germany under the tripartite pact, while at the same time she is bound to observe neutrality if she would honor the non-aggression pact entered into with Russia not long ago. Obviously Japan could not do both. Hitler has hinted his Axis partner to launch an immediate attack on Siberia in order to accelerate the collanse of Russia within the shortest period possible. However, Japan's hesitancy in deciding her attitude lies in two factors. In the case of aiding Germany she is obsessed with the fear of becoming a third-class nation if Germany should be defeated. In the case of standing on the fence she will be spurned and left alone and friendless in the event of a German victory.

Amid the present turmoil in world situation, it would be a wise stroke of Japanese diplomacy to abandon the tie with the Totalitarian Powers and come to the circle of friends of the A.B.C. Powers, which means to withdraw her forces from China and to restore China's territorial integrity.

A. WANG

Shanghai, June 6, 1941

A LIVING MOCKERY

To the Editor:

Permit me to thank you very much indeed for the March issues of your weekly, which I received only recently.

This world war is not a war of armaments but a war on the correctness of national policies. It has been my firm conviction that "a statesman with the fate of a country in his hands has no right to be wrong" and that war is avoidable if politics are rightly handled.

There must be some missing ingredient in modern civilization. Let us hope that this world stops making God a living mockery.

S. Y. LIVINGSTON HU

Chungking, June 27, 1941

OIL AND DEMOCRACY

To the Editor:

Is America really a democracy? The probable answer is that America is not a democratic nation, because she supplies aggressive Japan with various war materials, especially petroleum, despite President Roosevelt's pledge of continued aid to our country in his recent Fireside Chat. America can never have good standing as a democracy until she stops supplying our enemy.

H. C. CHU

Nanchiao, Pootung,
July 1, 1941

THE CHINA WEEKLY REVIEW

Cable Address "REVIEWING SHANGHAI"

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NO PEACE

To the Editor:

Despite the non-aggression pact which they signed in 1939, Germany and Russia are at war. From this we can learn the lesson that there can be no peace or neutrality where the aggressors are concerned. Treaties to them are nothing but scraps of paper. They make a pact with one country, war with another—just to prepare for attack on the former, for they haven't the strength to wage war on all countries at the same time. It is their policy to best the democracies one by one.

The only way to smite the aggressors is for all the democracies, big and small, to unite and wage war simultaneously against the aggressors. It is not too late to do this now although much valuable time has been lost.

MU WEN-FU

Chungking, June 27, 1941

Anti-Semitic Laws Made Effective in France

Anti-Jewish laws adopted by the French government at Vichy on June 2 became effective throughout France on July 1, according to **United Press.** Jews are barred from any type of industrial or commercial activity which would bring them into direct contact with the French public. This will eliminate them from the press, radio, theater and cinema, and also from the professions, such as medicine and law. A census of Jews is to be taken. They are required to register for this purpose by July 14 and to disclose their fortunes and properties to the authorities.

AMERICAN STOCK AND COMMODITY QUOTATIONS

July 9, 1941

STOCKS

Amer. Locomotive	14½
Amer. Waterworks	4¾
Anaconda Copper	29¼
Bethlehem Steel	76¾
Chrysler	58⅜
Elec. Bond & Sh.	2¼
Gen. Motors	39⅝
Goodyear T. & R.	18¾
Gt. Nthrn. Rly., pfd.	26⅞
Lockheed Aircraft	27
Mont. Ward	36¼
N. Y. Central	13⅛
Texas Corp	42
U. S. Steel	58¾

COMMODITIES

New York Cotton, July	15.12 Nom.
New York Rubber, Sept.	21.25B/35A
New York Hides, Sept.	14 22B
Chicago Wheat July	105⅛/105¼
Chicago Corn, July	74¼/74⅛
New York Sugar, No. 4, Sept.	Mutilated

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Demand Selling rate on N.Y. ... ... U.S.$1.	=Sh.$19.05	=Sh.$19.28	=Sh.$19.28	=Sh.$19.28	=Sh.$19.51	=Sh.$19.51
Demand Buying rate on N.Y. ... ... U.S.$1.	=Sh.$18.60	=Sh.$18.82	=Sh.$18.82	=Sh.$18.82	=Sh.$19.04	=Sh.$19.04
Demand Selling rate on London ... £1-0-0	=Sh.$74.56	=Sh.$75.29	=Sh.$75.29	=Sh.$75.29	=Sh.$76.04	=Sh.$76.04
Demand Buying rate on London ... £1-0-0	=Sh.$71.77	=Sh.$72.45	=Sh.$72.45	=Sh.$72.45	=Sh.$73.14	=Sh.$73.14

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Selling rate during July 4—10, 1941

Shanghai $100. equals Yen	22¼	22¼	22	22	21⅞	22
Shanghai $100. equals Guilders	9⅞	9⅞	9⅞	9⅞	9⅞	9⅞
Shanghai $100. equals Rupees	18	18	17⅞	17⅞	17⅞	17⅞
Shanghai $100. equals Pesos	10⅛	10⅛	10⅛	10⅛	10⅛	10⅛
Shanghai $100. equals Hongkong $	21½	21½	21⅛	21⅛	21⅛	21⅛

THE CHINA WEEKLY REVIEW
密勒氏評論報

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JAPAN IS PREPARING FOR FRESH MILITARY ADVENTURES

THERE can be no doubt about it. Japan is preparing for fresh military adventures. All available signs point unmistakably in that direction. Among the more recent signs may be listed:

1. The agreement reached in Tokyo between Wang Ching-wei and the Japanese Government to raise the armed forces of the puppet Nanking regime to 500,000 men, thereby releasing a considerable body of Japanese troops for service elsewhere.

2. Tightening of government control over Japan's exports, by placing 340 commodity items under a licensing system which will limit, and in some cases end, the export of such items to countries outside the yen bloc.

3. Increased requisitioning of Japanese shipping, notably vessels hitherto engaged in carrying strategic materials to the United States from the Philippines and other countries in the Far East.

4. A shake-up in the high command of Japanese military forces in China. Most notable appointment was that of Lieut.-Gen. Seishiro Itagaki, chief-of-staff of the Japanese Expeditionary Forces in China, who was promoted to the rank of full general and made commander of the Japanese garrison in Korea. General Itagaki has a reputation as a firebrand, is notoriously anti-Soviet. His new command flanks the Soviet Maritime Province.

5. Increasingly warlike, though intentionally vague, statements by Japanese politicians and military men.

6. Intensification of the rabidly jingoistic campaign being conducted by the Japanese press.

7. The unusual spate of consultations with the Emperor by Premier Konoye, Foreign Minister Matsuoka, and heads of the fighting services—all indicating that some major move is in the making.

Neither the Japanese public nor the world at large has been permitted to know what decisions were reached at the Imperial Conference in Tokyo on July 2. There is every reason for believing, however, that the decisions were of a tentative character, and that the time and manner in which they are implemented has been made to depend upon the further development of the Soviet-German war, in particular, and the entire European conflict in general.

In a dispatch from Tokyo on July 6, the *Havas* agency essayed an interpretation of the idea held by the average Japanese subject regarding the probable decisions reached at the Imperial Conference. The common view, said this agency, was that the Conference must either have decided on a move northward, with Vladivostok as the main objective, or resumption of the southward drive which was halted after Japan had established bases in French Indo-China.

The French agency, which is a Vichy institution and therefore in touch with official German circles in Tokyo, added the following illuminating observations: "Japanese observers do not consider it unlikely that Imperial sanction was granted not to a single decision, but to several interchangeable plans between which the Supreme Command will choose at the last minute according to prevailing circumstances. Never has Japan during the past few years been tempted by so many opportunities, nor have so many conflicting currents of opinion been formed at one time. The main question for her at present is whether to act or wait. There is no doubt that should Japanese public opinion be asked to choose between the two, it would favor a temporary respite well won after the ten years of effort which it has furnished. On the other hand, there is no responsible Japanese who is not aware that in face of the universal upheaval his country cannot remain motionless and that, whether she wants to or not, Japan is irresistibly drawn into the whirlpool of action."

Out of Reach

Rochester Times-Union

The day before the Imperial Conference was held, Prince Konoye, the Premier, broadcasted an address to the Japanese nation in which he urged his countrymen to "go the way which Japan should take irrespective of what others may do or what obstacles may be found ahead. . . . In such days as the present, Japan can rely only on her own power, her own national resources. There is nothing else on which she can rely."

There can be little doubt that this vagueness of expression in the midst of momentous events was intended to screen the sinister plottings at the Imperial Conference and to keep the nation in ignorance of the fresh calamities which its leaders are preparing for it. Prince Konoye's mumblings over the radio—and this is far more significant than anything he said—elicited from a Wilhelmstrasse spokesman the comment that the Premier's statement of Japan's foreign political position (about which he said exactly nothing) "leaves nothing to be desired with regard to clarity," adding that Japan had made a "far-reaching decision and it is only natural that no more details are revealed at present." (Quoted from a *Transocean* dispatch, July 4).

In other words, Japan has made her decision or decisions. Precisely what they are the world will learn when the armed forces of Dai Nippon go plunging across some new frontier. Japan's military machine is now being readied to deliver someone a stab in the back in the most approved Mussolini style.

The verbose Yosuke Matsuoka, Japan's foreign minister, set the pace for a whip-up campaign in the Japanese press to prepare the sorely tried people of Dai Nippon for new trials. After leaving the Imperial Conference, he voiced the feeling that a "super-emergency" was looming which was likely to involve Japan directly in the Far East. No country contemplates or has planned an attack on Japan, so that Matsuoka's words are subject to but one possible construction: *Japan is planning to attack some other country.*

CHUNGKING BELIEVES JAPANESE DRIVE AGAINST RUSSIA IS IMMINENT

In a special message to the Chinese nation on the fourth anniversary of the Sino-Japanese war, General Chiang Kai-shek declared that Japan was not only increasing her efforts to subjugate China, but also "intends to make a last attempt toward adventures either in the south or north, regardless of possible consequences." If any such move is made, he added, "we should by no means lose this golden opportunity to launch our general counter-attack against the enemy."

The Chungking army organ, the "Sao Tang Pao," featured the Tokyo report of the transfer of General Seishiro Itagaki to command of the Japanese garrison in Korea, asserting this was the prelude to a Japanese move against Soviet Russia. The "Ta Kung Pao" said Japan was hurrying preparations for a northern drive and played up the report of General Itagaki's transfer under a six-column banner line.

Soviet apprehensions regarding Japanese intentions were reflected in the evacuation of the entire staff of the Soviet consulate in Harbin together with their families. This took place on July 2, according to a *Reuter* report. Soviet Russia and Japan are formally at peace, but there is none of that gushing friendliness between the two which was observable, for example, in Soviet-Nazi relations after August of 1939. In fact, there is a frigid formality in Soviet-Japanese relations and this is one of the more ominous features of the present situation. It is as if both know war is coming, the only question being when.

The ultra-reactionary newspaper *Kokumin* took the Foreign Minister's cue and warned editorially that the Japanese people should make ready for the super-emergency. The hostilities in China, it declared, had become "world-wide in import and scale. We must change our viewpoint and be prepared." The *Yomiuri* then jumped into the breach to deliver a verbal lambasting to the United States, charging that country with "brazen acts of war such as aiding Gen. Chiang Kai-shek, closing the Panama Canal and strengthening warlike preparations from Singapore to the Dutch East Indies and Australia."

The two press extracts given above are a fair sample of the general tone. Interesting is the fact that the broadsides of abuse were reserved almost exclusively for the United States, with not so much as a half-uncomplimentary reference to Soviet Russia. It is not unlikely that this is intended as a diversionist trick to hide Japan's real intention—an attack on Soviet Siberia and Outer Mongolia.

Similar to the general tone of the press was a signed article by Rear-Admiral Minoru Mayeda, chief of the Army Press Section of the Imperial General Headquarters, which appeared in the Tokyo *Asahi* on July 7, the occasion being the fourth anniversary of the outbreak of the Sino-Japanese conflict. He attacked the United States because of its preparadness measures in the Pacific and then declared: "As a sequel to the German-Soviet war, the northern Pacific situation claims our most serious attention in the light of the United States' announced aid to the Soviet Union. When it is remembered that the United States acquired important naval and air bases in the Atlantic in return for 50 destroyers which were transferred to Britain, no one can tell that the United States will not resort to the same trick in the Pacific and seek warlike concessions from the Soviet Union in return for so-called aid. Should this alarming development come true, the Japanese sense of security in the northern Pacific would be dashed to the ground. A crisis of major proportions would develop in the Japan Sea area if Vladivostok were to become involved in such a deal between the United States and the U.S.S.R."

Without intending it, Rear-Admiral Mayeda has perhaps given us a clue to one angle of the strategy decided upon at the Imperial Conference on July 2, namely, to use American aid to the U.S.S.R. through the port of Vladivostok—if it materializes—as a pretext for launching a "defensive" Japanese attack on Siberia. After all, Japan attacked China in self-defense. Why not Siberia?

The Market in Nanking For Stolen Motor Cars

The City of Nanking, in addition to being the headquarters of Japan's armed forces in China and the capital of the Wang Ching-wei Government, is also the biggest market in Asia for stolen motor cars. Owing to the secretiveness of the police and the insurance companies, little appears in the local newspapers on the subject, but despite this there is widespread apprehension and resentment on the part of the public that nothing is being done about this newest racket which has developed within the aegis of the "new order in East Asia."

Reports differ regarding the number of motor cars which have been stolen in recent weeks and months, but the number is said to approximate 60 within the past two months. Most of the cars have been stolen in the western residential area or in the Bubbling Well police district. The methods of thievery are so similar that they have become monotonous in the telling. The thieves hide in the vicinity of theaters or night clubs and when the occupants of the cars have gone inside, the thieves go into action immediately, even before the chauffeur has stopped the engine. They usually approach from the rear, one on each side, and thrusting a pistol barrel into the chauffeur's ribs, tell him they wish to "borrow" his car. The chauffeur is then told to drive away with his unwelcome passengers, to a place where he is told to stop and hand over the keys. The chauffeur is then kicked out and the bandits speed merrily away—to a place in Chapei, where the cars are assembled for transport to Nanking. There is no secret about it as shipments of stolen cars have been observed on flat cars of the Shanghai-Nanking Railway enroute to Nanking, or on local jetties awaiting steamers enroute to Nanking. In one case a foreign employe of a local garage saw 14 stolen cars in one consignment being loaded for transport to Nanking.

In another case a prominent foreigner, who had lost his car, appealed directly to the Japanese—and he had his car back in a few hours. It was rumored that when he went to the place to get his car, he saw more than a dozen others, being prepared for shipment—to Nanking!

This apparently was the only case where an owner got his car back, the remainder having disappeared.

For those desiring further information, we can only refer them to the police, who will shrug their shoulders to indicate their inability to do anything about it. The representatives of insurance companies, who have to foot the bills, all tell the same story, and declare their intention of "doing something about it." But up to the present nothing has been done. Up to the establishment of the "new order" Shanghai seldom had a case of motor car thievery, for the simple reason that the Chinese police administration was efficient, reasonably honest, and unified. A stolen car could be recovered in a few hours after the information had been broadcast. Also, there was no "thieves' market" in the Chinese National Capital as there is today!

The theft of a motor car at present, aside from the loss, is a serious matter because it is next to impossible to obtain a new one from the manufacturers in the United States, due to restrictions on manufacture, export and shortage of shipping. As a result, used cars are now

selling at prices often higher than the original cost. One well known manufacturer's agent in Shanghai told of cases where cars which had been used three or four years, were sold for US$200 above the original cost, plus transportation across the Pacific and customs duty at Shanghai. The agent who supplied this information stated that he recently had been approached by persons intimately connected with Nanking, who had tried to purchase a considerable number of cars. They said they had the money all ready to pay cash, either here or in New York, but the agent couldn't promise delivery short of ten or twelve months.

It was shortly after this that the thievery of cars in Shanghai broke out anew.

Germans, Russians Embark on Atrocity Propaganda Campaigns

Atrocity stories of the type which were disseminated by the belligerent camps in the first world war, have been singularly lacking in World War II—until this week. It evidently required a conflict between Nazi Germany and Soviet Russia to open the flood-gates of this particular type of war propaganda. Of course, there had been reports of mass atrocities which accompanied the German assault on Poland. There was the terrible destruction of Rotterdam by the Nazis, but tales of the crucifixion of individual prisoners and the wanton bayonetting of infants —trotted out in the last war, believed by a credulous public, and afterward proved false—were absent.

The Nazis started the ball rolling on July 6 when they took foreign correspondents on a tour of Lemberg to show them evidence of mass murders allegedly perpetrated by the Russians before they withdrew from the city. According to *United Press*, the correspondents received "one of their deepest impressions" when they viewed the evidence. They saw unmistakable signs that a large number of corpses had been found buried in the cellar of the G.P.U. (Soviet secret police) prison. German officers stated that 65 corpses were found there, 250 in the state prison, and 150 in the military prison, while in the Lemberg cemetery there were more than 100 new graves "filled with the corpses of Ukrainians and Poles, who, according to German allegations, had been murdered by the Russions." It was also alleged that three German officers who were wounded in the fighting and taken prisoner had been shot before the Russians retreated from the city.

The German *Transocean* news agency bettered this story the following day in a dispatch from Berlin which said that some 1,500 Ukrainians, inmates of the Soviet prison at Luck, were put to death by machine-gun fire in the prison yard by order of the Bolshevik prison commander as the German troops approached. Prisoners who were only wounded were dispatched by means of pistol shots and hand-grenades. The dispatch went on to say that "most terrible scenes of bloody terror by the Soviets were also discovered by the approaching Germans in many towns of the Ukraine. Thus in the prison yard at Dubno the horribly mutilated bodies of more than a hundred prisoners, who had been members of the Ukrainian national movement, were found by the Germans after capture of the town."

Not to be outdone by the Nazis, the Soviets put out their own atrocity story in a *Tass* message from Moscow on July 6. Said *Tass*: "In the Soviet frontier towns and districts seized by German fascist troops, the Hitlerites commit wholesale atrocities over the peaceful civilian population. After seizure of the town Lomzha, German officers chased out into the streets families which had not been able to leave the town in time with the Red Army units and subjected them to atrocious tortures. They slashed into pieces defenseless women and children, chopped off their limbs and gouged out eyes. Hitler's fliers shoot the peaceful population from airplanes and even hunt after children. One of these fascist vultures recently attacked a truck which transported women and children to the rear. By a machine-gun burst the bandit killed the wife of technician Zelenko and gravely wounded his three-year-old boy."

Neither the Hitler regime nor the Stalin regime have a reputation for humanitarianism. The records of both are written in crimson. Mass terror, concentration camps, populations forcibly uprooted and transported to exile, secret tribunals, vile tortures in secluded rooms and cellars, the firing squad—these are their established features. In war, when brutish passions are unleashed to the full, one must expect more and viler atrocities. One is therefore entitled to assume that, by contrast with the many fake atrocity stories of the last war, there is some truth in both the Nazi and Soviet allegations.

Owen Lattimore—Leading Authority on the Mongols

If there is any special political significance in the appointment of Owen Lattimore as political adviser to Generalissimo Chiang Kai-shek, it is to be found in the fact that Mr. Lattimore probably is the best informed American on the subject of the Mongols. Among his books on the subject are, Mongol Journeys—The Desert Road to Turkestan—High Tartary—Manchuria: Cradle of Conflict—The Mongols of Manchuria—Inner Asian Frontiers of China.

However, it is not accurate to restrict Mr. Lattimore's knowledge to the Mongols and Mongolia, for he also knows much about Manchuria and northern China, where he spent a considerable part of his life.

Owen Lattimore was born in Washington, D. C. in 1900, year of the Boxer uprising. His childhood was spent in China, mostly in Tientsin, after which he attended school in Switzerland and England. He returned to China at the age of 19 and for a time was engaged in business and wrote pieces for the British paper, *Peking and Tientsin Times*. Lattimore made his first long journey through Mongolia and Chinese Turkestan in 1926 and 1927. He and Mrs. Lattimore then traveled overland from China to India. Since 1929 he has been connected with various scientific foundations and institutions, his knowledge of the Chinese and Mongolian languages making him a leading authority on these problems.

In 1930, Mr. Lattimore was awarded the Cuthbert Peek grant of the Royal Geographical Society and in 1933 he received the Elisha Kent Kane gold medal of the Geographical Society of Philadelphia. Prior to his recent connection with the Walter Hines Page School at Johns Hopkins, he was associated with the Institute of Pacific Relations as editor of *Pacific Affairs*, issued quarterly at Camden, New Jersey.

Of Lattimore's various books, "Mongols of Manchuria," will be found most interesting and timely because of recent developments on the Manchurian-Mongolian fronts, including the very recent Russo-Japanese Neutrality Pact, which includes a mutual recognition of each other's control of vast sections of Chinese territory—Japan in Manchuria and Inner Mongolia and Soviet Russia in Outer Mongolia. Mr. Lattimore will be of much assistance in Chungking because of his knowledge of Sino-Japanese-Russian politics in Manchuria, Mongolia and Sinkiang or Chinese Turkestan. His intimate knowledge of this subject is evidenced in innumerable ways; for example, he states (Page 214) that the killing of Captain Nakamura, the Japanese intelligence officer, which was one of the most important incidents that precipitated Japanese intervention, occurred in the territory of one of the leading Mongol Banners at the railhead of the Taoan-Solun Railways, one of the lines which the Chinese were pushing into the Manchurian frontier with the object of outflanking both the Russian and Japanese railway systems.

In another place, Lattimore said: "If a Japanese forward policy in Inner Mongolia is inevitable, a clash between Inner and Outer Mongolia is no less inevitable. It is inherent in both the geographical and political conditions. Inner Mongolia encloses Outer Mongolia on the east and south. It offers, through the railways and ports of Manchukuo, a route for the export of Outer Mongolian products, which in recent years have been monopolized by Siberia. The unification of Inner Mongolia, again, in association with Manchukuo, will create a new Mongolian frontier so vulnerable for both Siberia and Manchukuo that it cannot stand long without a test of strength .. All Mongols must think inevitably in terms of Mongol unification; and the ancient cleavage between Inner and Outer Mongolia does not alter this innate urge toward unity. The Mongol Empire brought about a unification of Mongols based on Outer Mongolia; the Manchu Empire also unified the Mongols, but it began with Inner Mongolia ....Now it is possible to think of unification in terms of a counter-revolution in Outer Mongolia, leading to the restoration of the hereditary princes, the Lama Church and the old tradition."

Stalin Breaks Silence, Admits Soviet Union in Grave Danger

There were several points worthy of note in the speech which Dictator Joseph Stalin delivered to the peoples of the U.S.S.R. over the Moscow radio on July 3, apart from the fact that the head of the Soviet state had waited eleven days before making any pronouncement on the war into which the U.S.S.R. had been plunged by Hitler's sudden attack.

The first point to be noted is that Stalin studiously avoided any reference to Japan in his rather vituperative castigation of the aggressors. Said he (we quote the official *Tass* version): "Our war for the freedom of our country will merge with the struggle of the peoples of Europe and America for their independence, for democratic liberties." Not a single word of encouragement for the Chinese people who have been waging a struggle for *their* independence for the past four years!

In avoiding any reference to Japan, Stalin imitated President Roosevelt, who in his famous Fireside Chat a few weeks ago, did the same thing. But Stalin leaned over backward much more than President Roosevelt did, for the latter voiced open sympathy with China's struggle and promised that more American aid would be forthcoming. The U.S.S.R., of course, has a non-aggression and neutrality pact with Japan, and Stalin's desire to avoid giving any possible offense to Japan while the Nazi hounds are at his throat is understandable. But Stalin should understand by now that the plighted word of Japan will prove of no more real worth than the plighted word of Hitler. The moment Japan deems it expedient, she will strike at the U.S.S.R. in Siberia in the hope of reaping gains from Soviet embarrassment in the West. Attempts to kowtow to the aggressor in the Far East will not delay such a development by a single day. Meanwhile the U.S.S.R. will be deprived of that valuable mass sympathy in China which only a forthright declaration of solidarity with this country could help build up.

Stalin admitted that Nazi troops had succeeded in capturing Lithuania, a considerable part of Latvia, the western part of White Russia, and part of the western Ukraine, while Nazi planes were bombing Murmansk, Orsha, Mogiliev, Smolensk, Kiev, Odessa and Sebastopol.

"A grave danger hangs over our country," he declared. "How could it have happened that our glorious Red Army surrendered a number of our cities and districts to the fascist armies? Is it really true that the German fascist troops are invincible as is ceaselessly trumpeted by the boastful fascist propagandists? Of course not! History shows that there are no invincible armies and never have been. Napoleon's army was considered invincible, but it was beaten successively by the Russian, English and German armies. Kaiser Wilhelm's German army in the period of the first imperialist war was also considered invincible, but it was beaten several times by the Russian and Anglo-French forces and was finally smashed by the Anglo-French forces. The same must be said of Hitler's German fascist army today."

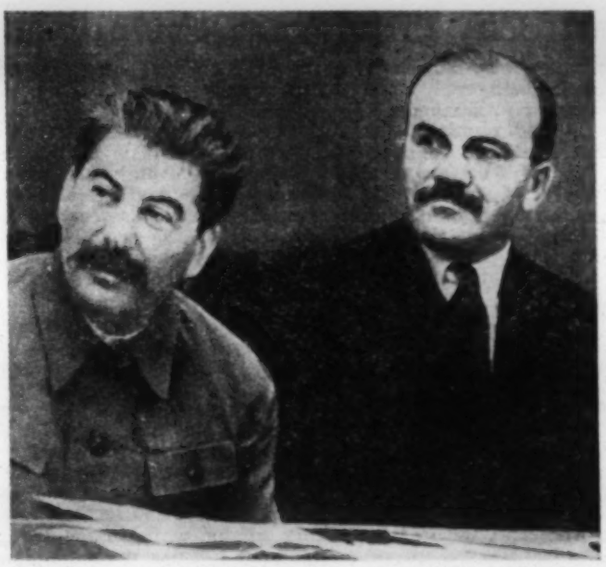
Explaining why considerable Soviet territory had fallen into Nazi hands, Stalin declared this to be "chiefly due to the fact that the war of fascist Germany on the U.S.S.R. began under conditions favorable for the German forces and unfavorable for the Soviet forces." Germany was mobilized and ready, whereas Soviet troops still had to be moved to the frontiers. The U.S.S.R. had not previously moved its troops to the frontiers because of the non-aggression pact with Germany.

Stalin did not and could not tell the whole story of the initial Nazi successes, which have been added to considerably since he spoke. He could not, for example, tell the world that his sanguinary liquidation of the best Red Army strategists and commanders in the great purge of a few years ago left the Soviet forces without any really able and experienced leadership. In his insatiable thirst for absolute power and his envious hatred of everything gifted or talented, he had Tukhachevsky, Gamarnik, Yegorov and Yakir shot on fake charges of conspiring with the German general staff. That was in the days when Stalin was flirting with the democratic powers. He then proceeded to "liquidate" almost the entire commanding staff of the Red Army. According to estimates of foreign observers, more than 10,000 officers of all ranks were shot or exiled.

Today the Red Army is commanded by inexperienced officers and its strategists are such colorless, unimaginative mediocrities as Voroshilov, or fighters in the guerrilla tradition, such as Budenny—none of them a match for the quick-thinking, resourceful officers and strategists of the German army. They are all cast in the Stalin mold, and Stalin, as Eugene Lyons pointed out in his book on the Soviet dictator, is merely the most brilliant mediocrity in a constellaion of the same order.

Justifying the pact which he signed with Hitler in 1939, Stalin said: "It may be asked how could the Soviet Government have consented to conclude a non-aggression pact with such treacherous fiends as Hitler and Ribbentrop? Was this not an error on the part of the Soviet Government? Of course not! I think that not a single peace-loving state could decline a peace treaty with a neighboring state, even though the latter was headed by such fiends and cannibals as Hitler and Ribbentrop.... We secured our country peace for a year and a half and

Stalin Now Premier in Fact and Name



Newsweek photo.

Joseph Stalin, General Secretary of the Communist Party, formally assumed the helm as Premier of the USSR, his actual title being Chairman of the Council of People's Commissars. This became effective on May 6. Vyacheslaff M. Molotoff, who previously was Chairman of the Council of People's Commissars, relinquished this title in order to devote his entire attention to the position of Foreign Commissar.

an opportunity of preparing its forces to repulse fascist Germany should she risk an attack on our country despite the pact. This was a definite advantage for us and a disadvantage for fascist Germany. What has fascist Germany gained and what has she lost by treacherously tearing up the pact and attacking the U.S.S.R.? She gained a certain advantageous position for her troops for a short period, but she has lost politically by exposing herself in the eyes of the entire world as the bloodthirsty aggressor."

No one thinks that the Nazis needed further exposure as "bloodthirsty aggressors" after their performances throughout Europe. As for the time which the U.S.S.R. gained to prepare its forces for a German attack, Stalin himself admitted in the same speech that they were not ready and that the Nazis consequently had an advantage. The U.S.S.R. gained peace for a year and a half? But at what a price! During that year and a half Hitler conquered most of Europe and cowed the rest. Except for British air raids, his western front is quite secure and he can give practically all his attention, and devote his main forces, to the Russian campaign.

Had Stalin not made his perfidious agreement with Hitler, whom he now elects to refer to as the U.S.S.R's "perfidious" enemy; had he instead allied himself with the democracies, Hitler would have had to fight on two fronts from the very beginning. France might never have been conquered and humiliated. The Nazis might now be well on the road to defeat. The judgment of history will be that Stalin, who thought he was very clever, made the U.S.S.R. pay a terrific price for the eighteen months of peace which he thinks were so precious.

Now the fight is on and Stalin promises war to the death against the Nazi invaders. The "scorched earth" policy, a feature of China's resistance to Japan, is to be adopted. Nothing of help or value will be left to the

German troops in Soviet territory if it can possibly be removed or destroyed. A Wilhelmstrasse spokesman, *Domei* report from Berlin said on July 4, scoffed at this threat, declaring that such destructive warfare would neither hamper German operations nor help the Soviet people. "Those to suffer destitution and starvation will be the Soviet people and not the German forces," he said.

Official quarters in Berlin, according to *Transocean*, noted the nationalistic tone of Stalin's speech in contrast to the old internationalism of the Bolsheviks: the Soviet defense was depicted as a defense of the "fatherland" and not of the international working class. As if to underline the change that has taken place in the character of the Soviet state under Stalin, the dictator wound up his speech with a piquant reference to himself: "The State Committee of Defense has entered upon its functions and calls upon all our people to rally around the party of Lenin-Stalin...." Even amid the perils of war the Kremlin despot cannot dispense with flattery, even though he has to do the flattering himself. Imagine Winston Churchill calling on the British nation to rally around—Winston Churchill!

WANG'S TOKYO VISIT PRESAGES TROUBLE FOR S'HAI BUSINESS

BY JOHN AHLERS

Signs of the times would be very misleading if Shanghai business for the near future were not in for a lot of new trouble with the Nanking regime. New measures calculated to subdue local business, at present under consideration at Nanking or already in the process of application, chiefly include the seizure of the Settlement's Chinese Courts; a forcible extension of the Central Reserve Bank note issue; the ousting of the local branch offices of the Chinese Government banks; the collection on behalf of Nanking of income tax and increased consolidated taxes; additional export and import restrictions.

Although Nanking politicians since their regime's inauguration have been talking violently anti-Anglo-Saxon language, and although there cannot be any doubt as to their designs as regards local Anglo-Saxon interests being nefarious, it is for the present moment not these interests which form the object of Nanking's pending new offensive. The Japanese manage to take too great an advantage of local conditions as they are, and are too deeply interested in the maintenance of the existing Shanghai state of affairs which permits them almost free economic and financial intercourse with the Anglo-Saxon sphere, to desire just now the provocation of yet another conflict here which might lead to American and British retaliation. But clearly they are about to give Wang Ching-wei a practically free hand to attempt the complete subjugation of local Chinese business. That accomplished, they expect to enjoy so much easier play afterwards when it will suit them to embark upon the final liquidation of the Anglo-Saxon interests, too. It is the ancient policy of *divide et impera*.

The Nanking regime, during the more than seven months which elapsed since the signing of the Nanking treaties between Wang and Japan, has not yet become as formidable to Shanghai business as had been anticipated in many circles. The Central Reserve Bank note issue of W$56,000,000 compares but very poorly with the N.C.$2,500,000,000 or more circulating in Shanghai and the immediate hinterland. Though the so-called "West Shanghai interests," allied to Wang Ching-wei, managed to acquire prominence in the gold bar market, Nanking's influence on Shanghai finance on the whole still is negligible. New export prohibitions promulgated under Nanking's customs authority turned out to be meant not otherwise but as a permit-selling racket. To local business, the Wang Ching-wei regime thus far has been no more than one additional nuisance.

Yet there should be no illusion that Wang Ching-wei, to Shanghai, would continue to be no more than a nuisance. Wang's recent official visit to Japan clearly did not contribute to endearing him to the Chinese, but his position with the Japanese is obviously strengthened. Throughout the past fifteen months, his governmental venture met with strong opposition in influential Japanese circles over here. The Japanese military leaders in Central China saw in Wang one of the Tokyo politicians' instruments. They resented his venture as an intrigue designed by Prince Konoye to curtail their political influence, their economic control, and their revenue. Japanese business at the same time feared that in the hinterland part of its privileges would have to be abandoned to Wang's followers, and that at Shanghai Wang's activities might upset the existing state of affairs. Both these Japanese groupings up to very recently systematically sabotaged Wang's efforts and prevented him from getting very far.

Now, however, Wang is back from Tokyo with a great gain of "face" in all Japanese quarters in China. The Emperor of Japan bestowed upon him the treat of a one-day palace sojourn; Prince Konoye gave him a first-class official reception; the chiefs of the Japanese fighting forces received Wang and chatted with him graciously; and the Japanese press gave him a huge publicity build-up. Finally, Wang undoubtedly secured at Tokyo a series of concessions which are, though of little or no consequence to the Chinese masses in the occupied areas, of great importance to the improvement of Wang's position with the Japanese in China. In return, he promised Tokyo to secure control of Chinese interests in all parts of Shanghai.

The new Japanese Yen 300,000,000 loan to Nanking it is true, is a highly problematical affair. It cannot be judged definitely because its detailed conditions are being kept a sort of state secret. It is certain only that it is not to be given in cash but in kind, and in all probability it will be given in the form of materials required for the execution of some projects at the heart of the Japanese which Wang otherwise would not have been keen on contemplating. It is by no means impossible that this loan is calculated to form some payment of compensation to the Japanese Central China military in return for the economic holdings and the revenue they now are expected to turn over to Wang, and that with the loan's proceeds undertakings are to be financed which the Japanese military originally planned to finance out of revenue now earmarked for Wang. Chow Fu-hai, Nanking's minister of finance, in an interesting statement issued at Tokyo, emphasized characteristically, behind the screen of official thanks, that Nanking did not really need the loan, and clearly indicated that Wang and he had not come to Tokyo to ask for it.

Also, the arrangement concluded at Tokyo between Chow Fu-hai's Central Reserve Bank and Japan's semi-official Yokohama Specie Bank is not really a Japanese concession to Wang, but a Wang Ching-wei concession to Japan. It provides for turning over to the Yokohama Bank of foreign exchange funds accumulated by the Nanking bank, allegedly to guard those funds from losses through future fluctuations of Anglo-Saxon currencies or future U.S. freezing decrees. These seem to be mere empty pretexts. It is not to be seen why the U.S.A. should not freeze Japanese holdings as well as Chinese, and it is not to be seen either how the weak and controlled yen possibly could provide a better asset than strong and free U. S. dollars. The "free yen" accounts which Yokohoma Specie will open to the Central Reserve Bank against the funds in question, promise to form but an inadequate and misunderstood imitation of Germany's "freie reichsmark" currency.

What this arrangement really would appear to imply is the appointment of the Yokohama Specie Bank to the position of foreign exchange agent of the Central Reserve Bank, and thus the line-up of this latter institution on the same level with the Peiping Federal Reserve Bank, the Kalgan Bank of Mongolia, and the Changchun Central Bank of Manchu. The foreign exchange transactions of all these three latter-named banks are directed by Yokohama Specie which, in addition, functions as foreign exchange agent of the Bank of Japan, the Bank of Chosen, and the Bank of Taiwan. The Yokohama Specie Bank is the foreign exchange manipulator of the whole Japanese sphere of power, and Chow Fu-hai's Central Reserve Bank has logically to fit in where it belongs.

The really important concessions which Wang secured in Tokyo have not yet been announced, obviously because they only have been promised and have still to materialize. These concessions are to be made by the Japanese military and by Japanese business in Central China, and Prince Konoye seems to have made himself strong to see to it that they be carried into effect. These concessions chiefly are of an economic and financial nature and, in these fields, mainly include an extension of Nanking Central Reserve Banknote circulation and use at the expense of Japanese military yen; the turnover to Wang of a series of commodity controls, especially of export goods, now exercised by the Japanese military; an expansion of the fields and means of raising revenue for the Nanking regime; and the transfer to Nanking's management of a number of Chinese industrial enterprises now managed by subsidiaries of the Japanese Central China Development Company but really non-essential for Japanese military purposes.

The original idea of the Japanese was that Wang should hand them on a platter control of Shanghai business, while leaving them alone in the hinterland except for a merely nominal authority exercised on a pension basis. What Wang and Chow appear to have insisted upon, however, seems to be a genuine direct revenue basis in the hinterland. They are going to get that now, and they will have to live up to Japanese expectations as regards their assumption of control of Chinese business at Shanghai.

Pastor Niemoeller Bravely Bears Trials in a German Nazi Prison

Editor's Note: The following vivid account of personal conversations with Pastor Niemoeller, of the German Protestant Church, who has been incarcerated in Nazi prisons for several years, was given to a Nofrontier News Service correspondent by a Doctor Stein, who arrived in the United States not so long ago following his release from the Sachsenhausen concentration camp in Germany. The Nofrontier News Service is published at Wilton, Connecticut, U.S.A. by Devere and Marie H. Allen.

"For 22 months I was held in German concentration camps and prisons, and for 18 of those months I had as prison-mate Pastor Martin Niemoeller," said Doctor Leo Stein, formerly Assistant and Staff Member of the Berlin University. Interviewed by a Nofrontier News Service correspondent upon his arrival on this side of the Atlantic, Doctor Stein gave a fascinating account of what he saw of the martyrdom of Niemoeller, leading figure in the German Evangelical Church.

"I met Pastor Niemoeller for the first time in the prison of the court of inquiry in the Moabit suburb of Berlin. We were in the ante-room of the court chamber, where we had several hours to wait. Waiting with us was a former Nazi political leader who had been arrested because he had belonged to the Roehm clique. This man complained bitterly and announced: 'It's a low trick to lock me—an SA leader—up in the same room with this dirty Jew.' Niemoeller's face went chalk-white, but he did not answer the man. He said to me: 'Don't be angry; the man does not know what he is saying.' From that moment a friendship grew up between us.

"While in Moabit I met Niemoeller often. In fact I spoke with him daily in the courtyard where the prisoners were divided into two marching circles, one circle marching fast and one slow. The latter was mostly for sick people, and Niemoeller and I marched in it. During the course of these daily conversations he told me the whole story of his arrest, of how the Gestapo had taken down stenographic reports of his sermons, how they had seized all of the church money which he had administered. I had made a study of ancient church law, and we carried on long discussions about that.

"I shall never forget Niemoeller's words as he described his first arrest. He said: 'When I was first arrested I could scarcely believe that men could be so cruel. I was in the Prinz Albrechtstrasse prison (Gestapo Headquarters), and I heard there how they were whipping the men. All night I heard screams. I sank on my knees and prayed all night, prayed that God would not let me be weak. It was only through prayer that I was able to hold on.'

"During the 18 months we were together, Niemoeller told me that he had twice been asked to give a declaration of loyalty, which he had refused to do, in spite of the beckoning freedom. Then we were both transferred from Moabit to the Ploetzensee Prison. Niemoeller was brought here in an attempt to break his morale," Dr. Stein explained, "for it was in this prison that executions were carried out. We both saw these taking place in the prison court. An axe was used to cut off the heads. Most of those executed were political prisoners. Niemoeller consoled one of the condemned men—a Communist—in the prison court, although this was forbidden. 'I will pray for you, my son,' he told him, and he spoke fervently. He spoke those words to all, Jew, Catholic or Freethinker, and all knew that he was in earnest.

"When we were transferred to the Sachsenhausen concentration camp, the camp needed his consolation badly. Officially it was forbidden to the several priests in the camp—we had about 50 of them—to hold divine service or to give consolation. But we who were there will never forget how Niemoeller, in spite of the rule, used to go secretly at night through the barracks to visit dying Christians, Jews or Communists and give comfort to them. Another camp rule forbade Christians and Jews to speak to one another, but Niemoeller often showed himself demonstrative toward Jews, and used to say: 'We are all brothers here together.'"

Doctor Stein told also of how some Communists had informed against Niemoeller for having spoken to Jews, hoping in this way to help their "good behavior" standing and expedite their release. As a reward the Communists were given a packet of cigarets and a chance to become "trusties" in the camp. Niemoeller then went to the Communist Reichstag members in the camp and urged them to use their influence on their party-members. This would last about a week, and then the whole process would begin over again.

"Once," said Doctor Stein, "when a guard shouted at a Catholic priest who had just been admitted and struck him, Pastor Niemoeller became enraged and cried: 'Halt! Have you no honor in your body? Have you no respect for a priest's robes?' He cried out in his old military officer's voice, and the guard was so bewildered that he actually stopped tormenting the priest. But when Niemoeller tried this a second time, when a Jew who was sick and had hidden himself so as not to have to do stone-breaking work was whipped before his eyes, Niemoeller was called before the commander of the camp. The commander said to him: 'I most earnestly warn you that I should punish you. I do not wish to, but next time you will be put in solitary confinement.'

"Without desiring it," Dr. Stein continued, "Niemoeller actually had a great deal of authority on all sides. He was the hope of the camp, and even the Nazis had a certain respect for him.

"When I said farewell to Niemoeller, and told him that the Nazis had let me go and that I was leaving for America, he said to me: 'I wish you all possible luck. Begin a new and better life over there, and tell them the full truth about the concentration camps.' But, I said, that will hurt you. 'I know it,' he answered, 'but I am proud to suffer for my Christian faith. Go and tell the truth, so that the world may know that that faith is our only hope. God protect you.'"

Council's Ban on Immoral Ads Hits Local Press

The Shanghai Municipal Council's drive against immoral advertising, announced on July 8, has aroused wide attention and approval on the part of the public, but considerable apprehension on the part of a section of the Sino-foreign press, which carries advertisements of this character. The Council's notice stated that publication of such advertisements would lead to prosecution "according to law."

The brief note issued by the Council did not give any definition of "immoral" advertising, but it was thought that the order would cover the announcements of "massage houses," "girl guides," patent medicines, and advertisements of nude shows and strip-tease exhibitions. Since such advertisements have appeared in the local newspapers for a long time, there was considerable speculation as to what had inspired the Council's action.

It was thought in foreign newspaper circles that the Council's action had been inspired by a particularly reprehensible advertisement of a patent medicine which recently occupied the entire front page of Wang Ching-wei's organ, the *Central China Daily News*, a portion of which is reproduced herewith. The advertisement concerned a patent pill or tablet, known as "Pondaolin," which was recommended as a sort of cure-all for certain types of social diseases. The advertisement appeared in both English and Chinese and was accompanied by an illustration depicting a young man being dragged into a "third-class house of prostitution." The attendants attempt to allay his fears of disease by telling him that if he "will take four of the Pondaolin tablets, he need have no fear of infection, regardless of the low character of the place."

Aside from its appearance in the Wang Ching-wei organ, the advertisement also appears on numerous billboards about the city and according to report the alleged merits of "Pondaolin" have been broadcast over certain local radio stations. Whether this was correct has not been ascertained. Also, it was not known whether the Council's threat of legal action included billboards and radio announcements, or was only concerned with newspapers.

"Immoral" Ad in Nanking Paper

The above is a reproduction of a portion of a full-age advertisement which appeared in Wang Ching-wei's political organ, the Central China Daily News. It was thought in some quarters that the Municipal Council's notice against the publication of immoral advertisements may have been inspired by the "Pondaolin" ad which claimed that men taking this concoction could visit low class dives, and even "third-class houses of prostitution, without fear of ill effects." The nationality of the proprietor of Pondaolin was not stated in the advertisement.

Lone Frenchman Only Foreign Gambler Still Operating

The action of Mayor Chen Kung-po, of the local Chinese municipality, in requesting Poul Scheel, Chairman of the local Consular Body, to take steps to curb foreign-operated gambling houses, was allegedly directed at a local French citizen, who is said to be the only foreigner in Shanghai who continues to operate gambling houses. The name of the Frenchman was not given but it was reported he operates on the "fly-by-night" method, meaning that he rents apartments in various parts of the city, operates his roulette tables for a few nights, then closes up and moves to a new location. His customers are always notified by telephone when he moves to a new location. He previously operated for several weeks in the Medhurst Apartments on Bubbling Well, but was forced to close by the Municipal Police, following which he operated for a time at Farren's on Great Western Road until that place was closed. Recently he has been operating an establishment in the "badlands."

The manager of the Argentine night club at 625 Ave. Haig, where gambling has been conducted for several weeks in the upstairs rooms, published a notice in the *North-China Daily News*, declaring that his establishment has no connection with the gambling den operated on the upper floors of the building. The notice was signed by a Dr. L. Hechtman, said to be a Rumanian. An article in the *Shanghai Evening Post* on July 7 quoted a spokesman of the Western District Special Police Force who declared that Commissioner C. C. Pan, who is a Nanking appointee, planned to "definitely" close the gambling den operated over the Argentine immediately. Whether the order has been carried out is not known. The Commissioner has made numerous statements to similar effect in recent weeks and months, but there has been no general closure, except for brief periods. There are said to be a half dozen Chinese gambling houses still operating in the badlands area, and a similar situation is said to prevail in Nantao, adjoining the French Concession and also in the Jessfield and Ziccawei districts, which are under joint control of the Japanese and the Nanking Government.

Some time ago, Commissioner Pan told newspapermen that he would issue no more interviews on the gambling question, "because he always was misquoted in the local newspapers."

Generalissimo Chiang Kai-shek issued an autographed note to the Shanghai press on July 7, anniversary of the outbreak of war four years ago, which read as follows:

1—Fight against Gambling.
2—Fight against Opium.
3—Promote Savings.
4—Promote Hygienic Education.

The *Shun Pao*, leading Chinese newspaper catering to the commercial community at Shanghai, published an editorial on July 5 warning its readers, particularly the youths of the city, against "indulging in the unrestrained night life in Shanghai, particularly the type which prevails in the summer months." The paper said that those who violate this rule "will have their days cut short by the Nemesis of Nature." The editorial continued to the following effect:

"The private lives of the Emperors of China show that those who ruled the country well lived to a venerable age, while those who were given to dissipation died before they arrived at the prime of life. From the Tsin Dynasty (255-205 B.C.) to the Ching (Manchu) Dynasty (1644-1911 A.D.), China was ruled by a total of 183 emperors. The duration of the lives of sixteen of these rulers is unknown. However, history reords that sixty-nine of the Chinese emperors died between the ages of twenty and forty. This figure represents more than forty per cent of the total number of ancient Chinese Rulers....

"Superficially, it would seem that emperors should live long or at least live to the maximum limit of their days. History however points to the contrary, because most of them led a fast life and thus exhausted their vitality at an early date.

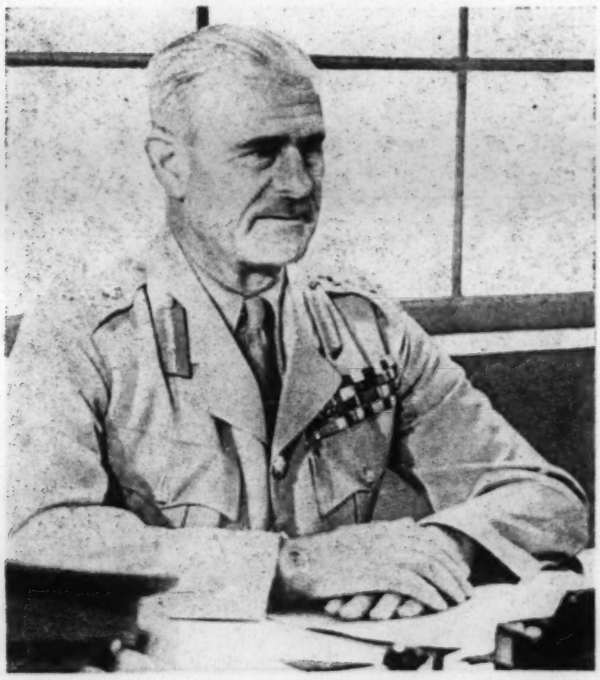
"Comparing the wealthy sons of Shanghai to the emperors of ancient China, it is deplorable that many young men, whose means enable them to secure every modern comfort, are leading a suicidal night life, which cannot but cut short the normal number of their days. If they continue to indulge in intemperate living and die early, they will only have themselves to blame."

Wavell Transferred to India as British Fear Nazi Invasion

Considerable comment was aroused last week by the announcement in London that General Sir Archibald Wavell, Britain's Middle East commander-in-chief, had been removed from that post and made commander-in-chief in India. It was a two-way switch, for General Claude Auchinleck, the commander-in-chief in India, was given the post vacated by General Wavell.

Interpretations of the transfer of General Wavell, in the absence of any official explanation, have been varied. It was hinted that he had fallen foul of Prime Minister Churchill on issues of strategy, especially since the disastrous Crete campaign, while there also have been suggestions that the General has not, in practice, lived up to the military reputation hitherto accorded him in British official circles.

Transferred to India



General Sir Archibald Wavell

Much more plausible was the guess of the London *Daily Telegraph*, which attributed the switch to British nervousness over India in the event the Nazis should succeed in vanquishing Soviet Russia. The London *News-Chronicle* had the same idea. According to the *Daily Telegraph*, there would be real danger of a German invasion of India through Iran (Persia) if Hitler's armies should accomplish their objectives in Russia, and it would be General Wavell's task to "prepare the defenses of India while there is still time."

At least one prominent American newspaperman doesn't think very much of General Wavell's showing in the Near East, and he is John Stuart Martin, war editor of *Life* and *Time* magazines who expressed his views very forthrightly at Honolulu on July 4 while en route to the United States by Clipper plane after six months of war reporting in the Near and Middle East.

General Wavell, he said, is "able but conceited, and has a miserable staff of assistants." As for the British in general, they are "just beloved amateurs at warfare. If the Americans are half as great amateurs, then God help us. They are doing things which they never should have attempted. The Greek campaign was launched when the Generals ordered military action as a political gesture to London knowing they were hopelessly outnumbered by Chancellor Adolf Hitler's troops. In the Egyptian battle against the Nazi and Italian troops, 97,000 British troops were split in half by the German drive."

In Mr. Martin's view it was "suicidal the way they send weaker troops against the powerful Nazis. They have too much of the wrong kind of courage. They throw off stunning defeats with a shake of the head and hail a minor victory as a 'jolly good show.'"

All this was reported by *United Press*, with Mr. Martin revealing that he had not been able to express his views earlier because of rigid British censorship.

Nevertheless, it is to be doubted whether the British would have selected an incompetent for the India command if India confronts a possible grave peril of invasion by the Nazis from the direction of Iran and Russia. It has been recalled in this connection that General Wavell spent two years in the Caucasus during World War I as attache to the Imperial Russian Army, his appointment being largely due to his knowledge of the Russian language.

Soviet Troops Hold Up German Drive, Claim Nazi Casualties Total 700,000

Nazi panzer divisions and shock troops pressing forward to Moscow have been stopped, at least temporarily, as far as it is possible to judge from a mass of conflicting Soviet and German claims and counter-claims.

The Germans, encountering the heavy defense fortifications of the Stalin line in the Ostrov region around Polotsk and the Dvina River, have been unable to cross the river and accomplish a penetration, according to Moscow reports. The July 8 Soviet High Command communique, commenting on the fierce fighting in this area, announced that "thousands of Germans found a watery grave" in the Dvina River.

Line Said Breached

German military sources, however, while refusing to specify exact locations, maintain that the river has been crossed and the Stalin line penetrated at several points. The German High Command, usually communicative when fighting is going well, has imposed upon itself a strict censorship in order "not to reveal important information concerning troop movements which might be useful to the enemy." The latest war communiques issued by the German High Command have merely stated that "operations on the eastern front are proceeding according to plan."

Fighting in the northern and southern battlefields appears to be more favorable for Hitler's invading troops. The Nazi attack in Bessarabia is steadily driving the Soviet forces back, while heavy fighting is progressing in southern Poland. The fierce battle now raging in the area east of Lwow and Luck has so far proved indecisive, but farther south Nazi troops, supplemented by Rumanian and Hungarian soldiers, have reached the Dneister River near Mogilev and Kameneta-Podolsk.

Focal point of this southern drive appears to be Kiev, Russia's third largest city which is situated in the heart of the rich Ukraine republic. *United Press* reports state that the city's civilian population has already been evacuated.

The retreating Soviet forces in Bessarabia are said to have carried out Stalin's "scorched earth" policy. Whole cities have been burnt as the invading German troops approached and stores of grain, hay, foodstuffs, and timber were completely destroyed to prevent their use by the enemy. Should the Germans approach Kiev, it too would probably be razed to the ground.

Soviets Lose Estonia

Soviet forces in the north are apparently abandoning Estonia to the invaders. Finnish reports reveal that Tallinn, key city and naval base in Estonia, is being evacuated by the Russians. The Finns claim to have sunk a number of Soviet transports by submarine action in the Gulf of Finland. The ships were transporting Soviet troops from Tallinn to the more powerful base at Kronstadt, near Leningrad.

Fighting along the Finnish border is favoring the Red armies, according to Moscow reports. Around Kandalaksha, the Germans are said to have been defeated and thrown back after driving an 80-mile wedge into Soviet territory. The Nazis were also

(Continued on Page 186)

China's Severance of Relations With Axis Meets Approval; Puppets Hail Recognition by Axis

In China generally the reaction to the move of the Chungking government in severing diplomatic relations with the Axis powers because of recognition by the latter of the puppet Wang Ching-wei regime at Nanking, has been one of satisfaction. In Nanking and Tokyo, Chungking's act was ignored and all attention concentrated on celebrating Axis recognition of the puppet government. Diplomatic relations between Chungking and the Axis powers were severed on July 2.

Indignation over the Axis recognition of Nanking was voiced by the Chungking press. However, Chungking official circles regarded it as one more step toward "clarifying the whole international picture."

Insult to China

In a leading article, the official **Central Daily News** described the action as an "insult to the Chinese people." Although Hitler and Mussolini, the journal pointed out, had adopted an unfriendly attitude toward China by pursuing a pro-Japanese policy, the Chinese government had previously refrained from taking any action because China and Germany had a history of sincere friendship and mutual assistance in cultural and technical relations. China had clung to the hope that the German people would be able to induce their government to change its mistaken policy, the journal said. "This hope, however, has totally gone with German recognition of the puppet regime."

The United States responded to Axis recognition of Nanking by reaffirming its recognition of Chungking as the only legitimate government of China. Mr. Sumner Welles, Under-Secretary of State, declared that "Axis recognition of the Nanking regime in no way changes the United States policy, and this nation will continue to recognize Chungking as the only legitimate government of China."

American observers noted that the timing of the recognition seemed to reflect a feeling that the Axis powers were fearful that Japan was wavering in her pro-Axis sentiments. Therefore, they were determined to do everything possible in a diplomatic way to help Japan "stay in line." There were also indications that the United States tended to discount significance of the move, except as an inducement to Japan to remain friendly to the Axis.

No Surprise in U.S.

Although news of the formal Axis recognition of Nanking made the front pages of all evening papers in New York, these papers evinced no surprise, apparently expecting some such move sooner or later. They emphasized the delay in recognition until the Axis became involved in hostilities with the Soviet Union, describing this as a master stroke of timing.

Some papers said that if the German move was not aimed to draw Japan into the war against Russia it was designed at least to check the Soviet Union with a solid Axis line-up threatening the U.S.S.R. front and rear. Observers, however, opined that such recognition as an Axis diplomatic maneuver would not be likely to induce Japan to take any positive step against the Russian bear.

Commenting on the same subject, the **Chinese-American Daily News** editorially stated that Germany and Italy have lost the friendship of 450,000,000 people in China, while they are still unable by their recognition of Nanking to "stimulate" Japan to stab Russia in the back. There will be no actual help from Japan, the paper believes, unless Germany definitely gains the upper hand in her expedition against the Soviets.

Relief was expressed by the **China Evening News** that at last the line has been clearly drawn between two opposing forces in the world today. The paper believed that the French authorities in Shanghai may take some action against Russians living in the French Concession, since the Nazi-controlled Vichy government has formally severed its relations with Moscow. Rumors are said to have been spread that the French are going to suppress Russian organizations and publications in the Concession, but no official announcement has yet been made.

Japan, Puppets Rejoice

Tokyo and Nanking were jubilant over the recognition of Nanking by the Axis Powers.

Recognition of the Nanking Government by the Axis Powers is "a telling blow to those who do not yet realize the great ideal of the establishment of the new order in East Asia," Dr. Nobufumi Ito, president of the Cabinet Information Board in Tokyo declared in a statement issued on July 1.

He added that, by the basic treaty concluded between China and Japan on Nov. 30 last year, Japan took the initiative in recognizing the Nanking Government which has been exerting itself to "attain the objective of co-existence, co-prosperity, and reconstruction of East Asia."

The Nanking Finance minister, Chou Fu-hai, declared that Axis recognition will "further strengthen the Nanking Government's international position and will undoubtedly prove a heavy blow to Chungking."

Chou anticipated recognition of Nanking by other Axis partners and believed that Chungking would sooner or later realize that it would be to the best interest of China that Chungking and Nanking join hands for the construction of a new order in East Asia.

De jure recognition of the National Government of China at Nanking will "emphasize to the world the strength and permanence of the New Order in China," was the declaration made on July 2 by the **Japan Times and Advertiser.**

It's a Small World They Move In

Chicago Daily News

On the scale of world politics the recent recognition of the Nanking puppet government by the Axis puppets in Europe is about equal to the latter's earlier recognition of the puppet state of Manchukuo, depicted in proper proportions in this cartoon.

Referring to Chungking's diplomatic break with Germany and Italy as a result of their recognition of Nanking, the paper declared: "No longer having association with these European governments, Chungking must feel the pinch of diplomatic poverty, and its supporters cannot but realize its waning influence in the world just as they discover the increasing strength of President Wang Ching-wei's authority.

"There is more than recognition of China in this act: There also is a recognition of the Eastern co-prosperity sphere as an integrated force which is destined to do much for all people in the Pacific and Asia," the paper concluded.

The **Yomiuri** declared that recognition will have a world-wide repercussion, because it indicates that the creation of a New order in East Asia is not merely a theory or ideal, but an actuality. The daily also anticipated recognition of Nanking by Bulgaria, Spain, Hungary, and France. "The Japan-Manchuokuo-China bloc now is recognized internationally as an axis for the creation of a New East Asia," the daily asserted.

Referring to the foreign relations of the newly-recognized Nanking government, the Tokyo **Kokumin** asserted that the task for Nanking is "abolition of foreign concessions" in Nanking-controlled China with the help of Japan. The editorial also recalled that Premier Konoye repeatedly had voiced Japan's willingness to return her concessions to China, "The time is ripe for the Japanese government to announce concrete measures to settle the problem of concessions once and for all."

The **Kokumin** added that the abolition of concessions which have been "hotbeds of subversive activities" will strengthen Nanking's political power and improve conditions in the Nanking-controlled areas.

A warning to the democracies and the Soviet Union was given by the Tokyo **Hochi** that, should these nations continue to refuse recognition of Nanking, the latter will hereafter "resolutely deal with Powers hostile to it since it is not obliged to respect their interests in areas under its control."

PICTURES AND CARTOONS FROM A WORLD IN CONFLICT

Wang Ching-wei Makes His Second Trip to Tokyo

Wang Ching-wei, (Upper left), head of the Japanese-controlled government at Nanking, visits the Moon Light Hall of Gokokuji Temple in Japan and drinks tea in the ancient Japanese ceremonial manner. The graves of Wang's former Japanese teachers at Hosei University are buried here. Upper right: Wang and his brother-in-law, Chu Min-yi, who is Nanking ambassador in Japan, hold a conference with Gen. Juzo Nishio, former Japanese commander-in-chief in China (left). Wang is at the right. Lower left: Wang (fourth from the left) attends a Kabuki program in Tokyo in company with Yosuke Matsuoka, foreign minister. Lower right: Wang says goodbye to Prince Konoye, Japanese premier, at the conclusion of his nine-day visit in the Japanese capital, his second trip to "headquarters" since he was placed in office as head of the Chinese administration which functions in part of the territory which is controlled by the Japanese Army. Wang's brother-in-law, Chu Min-yi, is standing second from the left, while Wang is fourth from the left.

The Napoleonic Pose

The Chicago Daily News

"Anybody Who Deserts Us is Nuts!"

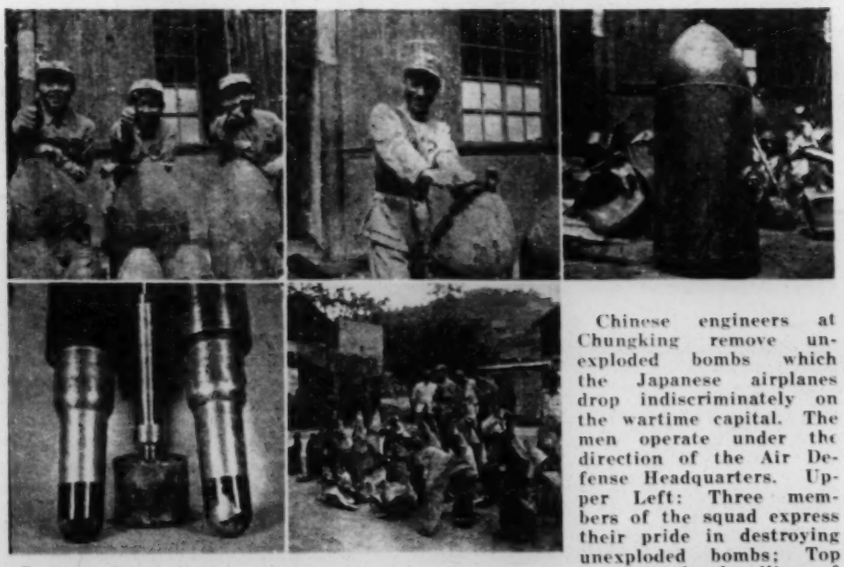
He May Have to Spare the Tree

Birmingham Age-Herald

Step by Step

The Chicago Daily News

China Also Has a "Suicide Squad"



Chinese engineers at Chungking remove unexploded bombs which the Japanese airplanes drop indiscriminately on the wartime capital. The men operate under the direction of the Air Defense Headquarters. Upper Left: Three members of the squad express their pride in destroying unexploded bombs; Top Center: Capt. Yang, military school graduate and expert in the handling of explosives has, thus far, escaped injury; Upper right: Unexploded Japanese bomb dug up in Chungking; Lower Left: Fuses and firing apparatus extracted from Japanese bombs, which failed to explode. The "Suicide Squad" has collected a large quantity of such materials; Lower right: The "Suicide Squad" also collects shell fragments, of which large quantities have been accumulated in Chungking.

ALIVE OR A DUD?

Enright in the Miami Herald

U.S. ARMY CHIEF

Gen. George C. Marshall, chief of the General Staff of the U.S. Army, has asked Congress to enact legislation to permit the use of the armed forces of the United States outside the Western Hemisphere. Political commentators in Washington declared that such a measure would be the subject of a more bitter debate than that which accompanied the Lend-Lease Bill.

FANCIED ROLES

Illingsworth in London Daily Mail

Americans Everywhere Celebrate Independence Day

Americans throughout the Orient and the world gathered together on July 4 to celebrate Independence Day, the most truly American holiday. Keynote of all the speeches on the occasion was American unity and increased aid to the nations fighting Hitlerism.

In Shanghai, several hundred members of the American community and their friends celebrated the day from 9 a.m. to well after midnight. At 9 a.m. they crowded the Race Course to cheer a dress parade of the U.S. Fourth Marines who marched in review before Colonel Samuel L. Howard, commanding officer of the regiment; Rear-Admiral Glassford, Commander-in-Chief of the Yangtsze Patrol; Mr. Frank P. Lockhart, American Consul-General in Shanghai; and Dr. R. J. McMullen, chairman of the American Association.

Country Club Reception

Americans and members of the diplomatic corps attended the reception given by Mr. Lockhart at the Columbia Country Club in the evening, while members of the American Club held their traditional noon reception at the club premises on Foochow Road. The President was toasted at both receptions.

Following an afternoon baseball game between the Marine team and the Shanghai Amateurs, a broadcast sponsored by the American Junior Chamber of Commerce was presented over radio station XMHA at 8.15 p.m. The broadcast entitled, "You Can Defend America" was relayed by stations XMHC and XCDN and was wirelessed to the United States. Speakers included Consul-General Lockhart, Colonel Howard, Rear-Admiral Glassford, Dr. Robert McMullen, Mr. R. C. Phillips, Mr. Sam Titlebaum, Mr. Ben Watson, Mr. John Janzsen, Mr. Lanson Davis, Mr. C. G. Flook, Mr. Paul Kops, and Mr. E. H. McKay. The speakers stressed the dangers which America is facing today and the need for real national unity—industrial as well as political—to surmount the crisis.

Following the program, Mr. A. H. George, British Consul-General in Shanghai, and Mr. John Alexander, British Press Attache, spoke over the same station on Anglo-American unity. Mr. Alexander characterized Independence Day as a reminder of the importance of political liberty in human affairs.

Col. Howard's Message

Additional features of the day included a message to the American Community by Colonel Howard, the cabling of a message to President Roosevelt by the Allied Federation of Shanghai, and a concluding buffet supper dance at the Columbia Country Club.

Mr. Howard in his message reminded Americans of the President's call for re-dedication to the basic principles enunciated in the Declaration of Independence and stressed that "the first basic principle of independence is provided for in the preamble of the Constitution, namely, 'to provide for the common defence'." He stated: "Our history shows that this basic principle in the past has been too often neglected, and while everything possible is being done at the present time to provide for the common defense, we Americans should and must see that in the future this essential principle of independence and freedom shall never again be neglected by ourselves or our children."

The telegram sent by the Allied Federation of Shanghai expressed the "deep gratitude through you (President Roosevelt) to the American people for its generous and unwavering support of those fighting for the four freedoms."

Fourth of July celebrations in Chungking were cut short by a Japanese air raid on nearby cities. Mr. Clarence E. Gauss, American Ambassador to China, gave a tea and reception which was attended by high Chinese officials including General and Mme. Chiang Kai-shek; Dr. H. H. Kung, Minister of Finance; Mr. Quo Tai-chi, Minister of Foreign Affairs; Dr. Wang Shih-chieh, Director of the Central Party Publicity Department; and Mr. Chow Chung-yao, Minister of the Interior.

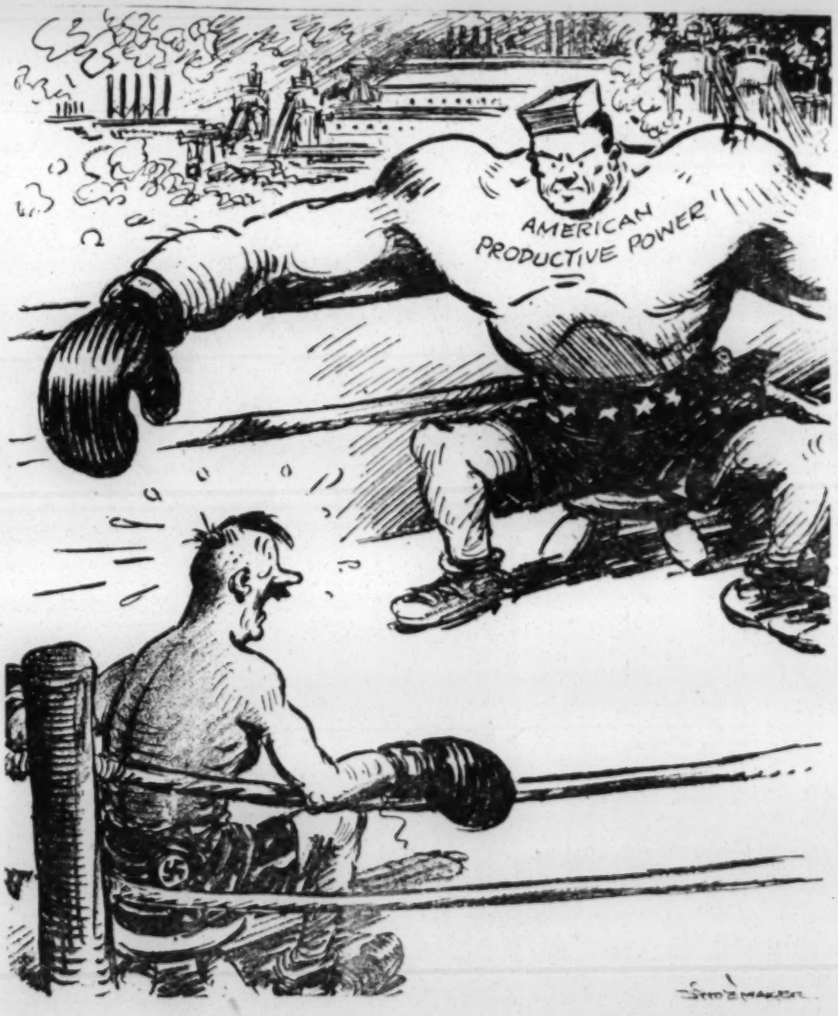
In Tokyo, more than 250 guests, including the British Ambassador, Sir Robert Craigie, and the Australian Minister, Sir John Latham, gathered at the American Club to hear a speech made by the American Ambassador, Mr. Joseph C. Crew.

Mr. Grew asserted that the United States is passing through a time of storm and stress and a time calling for grave decisions. He further stated that "democracy, as perhaps never before, is being put to the test. Civilization as we have known it is at stake. Humanity is at stake." He went on to predict the victory of democracy, civilization and humanity, however because "constructive forces always triumph over the forces of destruction."

In Manila, outdoor Independence Day celebrations were rained out but Mr. Francis B. Sayre, United States High Commissioner to the Philippines, spoke before an audience of Americans and Filipinos at the Manila Hotel. Gist of his speech was "if England falls, it is Europe and perhaps Asia, too, against America alone. America cannot hesitate. All our power and all our resources we

(Continued on Page 188)

His Match at Last



The Chicago Daily News.

Kwangtung Women Assume Gendarmerie Duties and Defend Supply Lines, Besides Other Patriotic Work

BY WILLIAM CHANG (鴻雲張)

In the family of the Chinese people, the inhabitants of Kwangtung are known for their courage, unity and perseverance. These characteristics have been adequately proven in the war of resistance, not by men alone but by women as well. Kwangsi girl students have gone deep into war zones to stage patriotic dramas and give war songs for the front line soldiers. Kiangsi and Chekiang women have filtered through the Japanese lines to encourage patriotic movements in guerrilla areas. And now the fair sex of Kwangtung has set another precedent by assuming gendarmerie duties.

When over a year ago all available troops were rushed to the front during the unsuccessful Japanese push toward Shaokwan, 200 women put on khaki uniforms, shouldered rifles and girded themselves with ammunition belts to guard a 100-kilometer stretch of a vital supply line in the hilly region between Pingshek on the Canton-Hankow Railway and Singtsz near the Kwangtung-Hunan border. Day and night for a whole month these women saw refugees trek into Hunan and soldiers and supplies stream in the opposite direction. Despite the tension resulting from the severe fighting, the amazon gendarmes maintained peace and order.

This episode was brought to light in Chungking upon the recent arrival of Madame Li Han-huen, wife of the governor of Kwangtung. Energetic promoter of women's movements in Kwangtung as director of the women's committee of the Kwangtung New Life Movement Association, Madame Li came to attend the national conference of women leaders convened by the Organization Board of the Kuomintang.

Diverse Activities

Formed on International Women's Day, March 8, 1939, the committee has been enlisting the help of well-educated, capable women for the promotion of patriotic movements, war service, small industries, handicraft and farming. On the main committee are 50 prominent women of Kwangtung. Within two years 29 county committees have been set up. The committee hopes that before long each county in the province will have its own committee. Several corps have been organized to serve various purposes.

The 200 women who took up arms are members of the Women's Production Corps and have been primarily trained to spin, weave, sew and teach illiterate women to read and write. The only other work they had undertaken since the organization of the corps in May, 1939, was harvesting for peasants in the autumn of that year. But the drills they had undergone, the rudiments they had acquired of military knowledge and of the use of weapons, stood them in good stead. While they took up their emergency duties, 40 others, the rest of the corps, remained in Shaokwan with Madame Li to cook congee for the reinforcements which poured into Kwangtung, to help carry ammunition for the soldiers and to care for the wounded from the front.

Engage in Production

With the emergency over, the corps has again settled down to its normal work. According to its report covering nineteen months ending in December, 1940, the corps, by then grown from a membership of 208 to 593, produced 618 dozen towels, 749 bolts of cloth of different kinds and colors, 4,926 shirts, 5,264 cotton-padded coats, 3,664 shorts for soldiers, 3,800 cotton-padded vests, 1,420 bed covers, 841 grey uniforms 1,072 mosquito nets, 1,107 pieces of underwear, besides a quantity of cloth shoes, hats, flags, uniforms for boy scouts and girl guides, and embroidered silk and linen pieces, including handkerchiefs, pillow-cases, table covers, bed covers and purses. By the end of December, 1940, the corps owned 83 sewing machines, 20 spinning and 50 weaving machines, and 108 machines for manufacturing towels.

The 1941 program of the corps aims at the purchase of 50 sewing, 50 weaving and 40 other machines, the reclamation of 200 *mow* of wasteland, the opening of dyeing and leather tanning works, and the increase of the membership to 1,200. Most of them refugees, the trained members have been sent out to conduct character-reading classes and to teach peasant women weaving, spinning and other gainful occupations.

The corps is but one unit of the Kwangtung New Life Movement women's committee. Its training class, which consists of college students and graduates, numbered 182 in March this year. These girls have received specific training for promoting the New Life Movement in Kwangtung. However, every time the Japanese launched a campaign in the province, they were mobilized for relief work. Together with 100 others, the girl students have brought 11,000 women and children, rendered destitute by the war, from war areas to homes and orphanages in the rear.

They Face Danger

This work has often been attended by danger. No sooner had severe fighting flared up than units were organized to evacuate women and children from the danger zones. Some of the units covered 50 kilometers a day for several days in succession, often passing over hilly regions and difficult byways in order to reach their destinations.

Another activity is engaged in by the war service corps of the women's committee. Consisting of 80 middle school students, the corps has been responsible for maintaining people-army cooperation stations on several important communication lines. During the futile Japanese onslaught against Shaokwan, when people close to the fighting area were rapidly evacuated, the girls secured large quantities of foodstuffs and 8,000 cooking utensils for the reinforcements which were sent to the front. Being well versed in first-aid work, the corps also tended over 8,000 wounded soldiers. The committee has also done much to bring cheer and comfort to the soldiers and their families as well. Its members have succeeded in getting $700,000 from friends and relatives in support of the thrift and savings movement.

Women Kuomintang members in Kwangtung number 1,780, excluding several thousand girl members of the Kuomintang Youth Corps. In the field of education, the committee and the women's section of the Kwangtung New Life Movement Association have held 700 classes through which 50,000 illiterate women have been enabled to read and write simple Chinese.

U.S. Junior Red Cross Boxes Bring Smiles

Group of Welfare Schoool children and war orphans in the Baptist Mission at Soochow indicate, by the smiles on their faces, their appreciation of a consignment of American Junior Red Cross gift boxes and American Red Cross cracked wheat recently sent to China.

Future of China's Wood Oil and Silk Industries

BY C. Y. W. MENG (孟長泳)

In the past three years, Chinese leaders, economists and the framers of economic plans, national and provincial, have been taking vigorous steps to increase and improve the production of China's exportable products, such as wood or *tung* oil, silk, tea and bristles, now generally known as China's four principal exportable agricultural and animal products. Special chartered trading corporations have been established to control, export and market these commodities.

With the exception of tea, the larger portion of which goes to the Soviet Union, with whom China has barter agreements, these commodities find their principal market in the United States.

Tung Oil Production Plan

Beginning this year, Szechwan's "Five-Year Tung Tree Production Plan" is in full operation in another effort to increase the annual production of *tung* oil from 800,000 piculs to 2,000,000 piculs. Under the direction of a special Tung Oil Commission of the Agricultural Products Promotion Institute of the Szechwan Provincial Government, four extension stations (situated at Wanhsien, eastern Szechwan; Fulin, southeast of Chungking; Nanchung, central Szechwan; and Suifu, southwestern Szechwan) will this year establish nurseries totalling 150 *mow* with 600,000 young trees, which will be distributed among farmers for transplanting.

According to the plan, these extension stations will establish plants to crack oil from *tung* nuts for local farmers. This will give oil of higher quality for the final refinery process before exportation.

Szechwan produced 763,000 piculs of *tung* oil each year before the war, representing about one-third of the national total. The production has been increased in recent years. At present the province has 1,520,000 mow of *tung* forests with 38,000,000 *tung* trees. The present five-year plan will add 450,000 *mow* of new forests with 18,000,000 trees, besides uprooting 200,000 *mow* of old trees and planting better ones. The province will thus have a total of 1,970,000 *mow* of better *tung* forests with 56,000,000 trees, capable of producing 1,000,000 *piculs* of fine oil.

Kwangsi Program

Kwangsi leads all other provinces in enforcing compulsory plantation of *tung* trees. As a means of promoting this industry, and acting as "a model" to the people, the provincial afforestation station planted no less than 543,424 *tung* trees themselves. In 1936, a most encouraging regulation governing the plantation of *tung* trees in the province was promulgated by the Kwangsi Provincial Government. It provides that every *tsuen* (consisting of 10 *chia* or 100 families) is required to sow at least 100 catties of *tung* seeds. Under such compulsory plantation, no less than 85,269,746 *tung* trees have grown up and in the very near future Kwangsi will produce far more *tung* oil than it is producing today. In 1937, Kwangsi exported about 251,151 piculs of *tung* oil, worth no less than $25,278,524.

The Szechwan Provincial Agricultural Promotion Institute has also launched a Three-Year Sericultural Promotion Plan aiming to increase the annual production of silk by 40,000 *piculs* within three years. The detailed measures, as worked out by the Institute, may be summed up as follows:—

The area for mulberry trees is to be increased by 5,000 mow on which a total of 310,000,000 mulberry trees will be planted within three years.

Besides the one at Nanchang, two or three factories for the production of pure parental lines of improved silkworm eggs shall be established with the aim of turning out 94,000 sheets within three years.

During the same period, 45 new factories for the production of improved silkworm eggs shall be set up, in addition to the ten already existing, with a view to turning out 8,400,000 sheets.

Of the total of improved mulberry trees planted in the nurseries, 210,000,000 will be used for propagation, and of the improved silkworm eggs 6,260,000 sheets will be distributed. It is expected to get a total of 939,000 piculs.

In the meantime, training of technical workers shall be conducted in the hope of turning out 7,000 qualified sericultural workers within three years.

The raising of "giant silkworms" shall be promoted in order to reap a total of 2,250,000 cocoons within three years.

First-rate silk totalling 78,250 *piculs* shall be produced within a three-year period.

At the rate of $5,000 a picul, the output will bring a return of $391,250,000.

According to other reports, for the year 1940, at least one million dollars was spent or appropriated by the Executive Yuan for the fostering of sericulture in Szechwan. Only recently, General Chiang Kai-shek ordered the Ministry of Economic Affairs to set aside $750,000 to improve silkworm-rearing and to extend mulberry growing in the province. Of the interior provinces, Szechwan has the best prospects for silk development.

A Junk Against New York's Skyline

Time-International

This Chinese junk, the 70-foot Amoy which crossed the Pacific in 87 days before the Sino-Japanese war began, appeared in New York harbor in May in connection with the United China Relief drive for US$5,000,000 to aid war sufferers in this country. The unusual harbor visitor brought crowds to the dockside and for days hundreds of the curious paid 25 cents each to go aboard her, it was reported in Time magazine.

New Silk Village

At the same time, our study reveals that in 1940 alone, the Fu Tien Bank (the provincial bank in Yunnan Province) and the Joint Administration of the three Central Government banks had jointly invested no less than $25,000,000 to carry out the "New Silk Village Project," situated south of Kunming, capital city of Yunnan. It is part of a general scheme to revive the silk industry in Free China in order to offset the loss of the silk-producing provinces on the eastern coast. The following is a brief account of the "New Silk Village" in the "Land Lying South of the Clouds."

Not far from the tin mines at Kochiu, an extensive tract of highland, 85,000 mow in extent and known to the natives as *Tsaopa* was marked several years ago for reclamation. Before it became the site of the silk village project last year many irrigation ditches had been dug. The climate there is fine most of the time, with the temperature seldom register-

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ing a larger fluctuation than 10 degrees from March to November. Of all places in the southwest, this particular spot has been found most suitable for the growth of mulberry trees and the raising of silkworms.

Within the nine months from March to November can be crowded three or even four rearings of silkworms. One prerequisite, however, is a constant supply of mulberry leaves. Another is that more irrigation channels should be built, as rainfall in the region, being concentrated in the summer months, is insufficient.

A 1938 survey shows there were 1,253 households of 7,748 persons. Through organized efforts, more and more war refugees from the coastal provinces who have had experiences in raising silkworms have come to settle down in the new village and to rear silkworms. In their spare time they grow vegetables, raise poultry, hogs and sheep. Simple machines have been introduced to turn mulberry tree bark into tissue paper and silk refuse into clothing materials.

Democratic Organization

Organization of the villagers is along democratic lines. Any number of persons capable of producing 20 *piculs* of raw silk a year is considered as a unit. One hundred such units form one small village, five small villages make a medium-size village, and at the apex is the entire New Silk Village. Chiefs for all three grades of villages are elected by popular vote for one year and are eligible for re-election.

Those sponsoring the village aim at eventually growing mulberry trees on 60,000 mow of land. It is estimated that one mow of these trees yields enough leaves to feed a number of silkworms capable of making one *picul* of cocoons. In addition, it has also been planned to erect a few silk reeling plants on the lot to turn out 7,500 *piculs* of raw silk a year.

In taking all steps to promote *tung* oil and silk production, the Chinese never intend to attain self-sufficiency in these supplies, which is the case with rice and cotton production. Their primary aim is exports to bring back more returns in foreign exchange, to effect a more favorable balance of trade for China during the war, and to secure foreign products which China needs.

U.S. Naval Forces Sent to Iceland

Occupation of Iceland by American naval forces was announced by President Roosevelt in a message to Congress on July 7. The American forces are first to supplement British troops there and later to replace them, according to the Chief Executive.

Occupation of the strategic Danish island, carried out with the full consent of Premier Jonasson of Iceland, was stated to be in accordance with the fixed American policy of refusing to permit capture by Germany of strategic outposts in the Atlantic which might be used as air or naval bases for eventual attack on the Western Hemisphere.

The new move, anticipated by the American public since its prediction by Senator Burton K. Wheeler on July 3, was compared by the President with the earlier dispatch of troops to Caribbean bases leased from Britain.

In defense of this step, President told Congress that the "occupation of Iceland by Germany would constitute a serious threat of three dimensions. Namely it would be a threat against Greenland and the northern portion of the North American continent, including the islands which lie off it. Also it would be a threat against shipping in the North Atlantic and a threat against the steady flow of munitions to Britain, which is part of a broad policy approved by Congress."

Since the President previously referred to Iceland as outside the Western Hemisphere, the new move constitutes the establishment of a defense post in the direction of Europe. Iceland, furthermore, lies entirely within the blockade zone proclaimed by Germany; hence, American forces established there are in the center of the crucial battle of the Atlantic.

President Roosevelt affirmed that the move is one of only temporary duration designed to last until the present crisis is over. He asserted that the United States "will insure adequate defense of Iceland with full recognition of its independence as a sovereign state." Domestic affairs will in no way be interfered with and a pledge was given that American forces would be withdrawn as soon as the present international emergency has passed.

Submarine Net Strung Across Golden Gate

Naval circles in San Francisco disclosed on July 4 that a submarine net, capable of blocking the entrance to San Francisco harbor in case of emergency, has been strung in a position of readiness. This was according to a report by Domei, Japanese news agency.

China, Japan Mark Fourth Anniversary of Conflict

Four years ago on July 7 the Chinese 29th Army and Japanese troops clashed at the Marco Polo Bridge, Lukuochiao, southwest of Peiping. The incident was a spark that ignited a continental conflagration sweeping the length and breadth of China, over an area one third the size of the United States.

This week, the anniversary was marked in China and Japan with statements and speeches by government leaders, and by editorial comment in the newspapers of both countries. In the foreign-controlled areas of Shanghai the usual police precautions were taken to prevent demonstrations or terrorist outbreaks, but no unusual incidents occurred, although two bombs were thrown in Japanese-occupied parts of the city, while Chinese guerrillas dynamited the tracks of the Shanghai-Hangchow Railway on the city's outskirts.

War Dead Honored

Japan's war dead were honored here on the morning of July 7 when special anniversary rites were performed at the shrine of the war dead in Japanese-occupied Hongkew, while similar services were performed in Tokyo. Leading at the local ceremony were representatives of the Japanese community and the commander-in-chief of the Japanese Special Naval Landing Party, Rear-Admiral Seiji Takeda.

On the fourth anniversary of the Lukuochiao incident, Generalissimo Chiang Kai-shek declared in a message to friendly powers that the Asiatic and European wars had become a single conflict in which all anti-aggression powers were facing the aggressor nations. No nation could escape the conflict, he said, because the aggressors are planning to "dominate the world by force....The mighty conflagration sweeping the entire world will burn up all (nations) in its path unless it is extinguished."

Expressing confidence that the outcome of the conflict would depend on the efficiency with which the anti-aggression powers combine their efforts, General Chiang declared that the strength of the Asiatic, American and European democracies "must be developed to the utmost through close cooperation which will not give the aggressors time to consolidate their gains. "The manner in which the Axis emulated and seconded the lead of Japan resulted in the division of the world into two great domains: On one hand, the bloc of nations the instrument of whose policy is aggression; on the other hand, the bloc of nations who are resolved to oppose aggression."

Castigates Aggressors

The Generalissimo declared that the aggressor nations are "both opportunistic and adventurous," and predicted that Japan would strike either to the north or the south, or both, in the event international conditions became favorable. He added that "the Chinese people will ever remember with gratitude the assistance from friendly powers. Our neighbors, Soviet Russia, America and England all have contributed generously in support of our resistance..."

In a circular message to the army and the people throughout the country, General Chiang reviewed the changes in the international situation in the past year, declaring that in collaboration with various other peace-loving and anti-aggression countries, China is striving for the restoration of peace and order in Asia.

Reviewing the major campaigns against the Japanese invaders during the past year, General Ho Ying-ching, Minister of War, claimed that in a total of 6,762 clashes, the Chinese inflicted 336,000 casualities on the Japanese. In addition Japanese forces lost 2,054 planes, while 2,650 members of the air force were either killed or taken prisoner.

On the Fronts

The Chinese crushed the first Japanese thrusts into South Honan and hurled back the Japanese from Shangkao, in north Kiangsi province, by using an equal number of men, despite their inferior equipment, General Ho declared.

He added that the only sectors in which the Chinese did not achieve expected results were along the Chekiang-Fukien coast where Japanese naval units played a big part, and in the Chungtiaoshan area of Shansi where the passes and ferry crossings over the Yellow River were lost. Foochow was the sole major Chinese loss, while the Chinese recaptured all South Kwangsi towns previously taken by the enemy.

Speaking to the United States in a radio broadcast, Dr. Quo Tai-chi, China's new Foreign Minister, declared that "with ever-increasing American aid under the Lend-Lease Bill in the form of sorely needed airplanes and other weapons, China is confident that she can and will win."

In a special telegram to the entire nation, Mr. Wang Ching-wei, president of the Nanking regime, appealed for united efforts in the great task of peace and National Reconstruction. He voiced a strong conviction that nobody could ever obstruct the progress of the great enterprise and movement of peace, anti-Communism and national reconstruction or the construction of the new order of co-existence and co-prosperity in East Asia. He further quoted the broadcast speech of Prince Konoye, Japanese premier, who stated that the Japanese did not aim at China's national destruction but at her prosperity, so that she might be able to share the responsibilities with Japan in the construction of a new order in East Asia.

General Hata Speaks

General Shunroku Hata, Commander-in-Chief of the Japanese Expeditionary Forces to China, issued an anniversary statement in which he stressed that the fate of the people of East Asia depends solely upon the final outcome of the China Affair. The speech was recorded for rebroad-

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Speaking to the Japanese nation, General Hata asserted that the nations of the world, whether they have taken up arms or not, have been sucked into the giant whirlpool of war, and that the nations are now divided into those which seek the establishment of a new order, and those which oppose it.

"The China Affair," General Hata declared, "now definitely constitutes a link in the turmoil which has engulfed the world, and the future prosperity of the peoples of East Asia hangs solely upon the outcome of the China affair."

Referring to the recent state visit to Japan made by Mr. Wang Ching-wei, president of the Nanking regime, General Hata freely predicted that the "National Government" under President Wang would make rapid strides, parallel with the progress of Japanese "mopping-up" campaigns on various China fronts.

Tokyo Press Comment

The significance of Japan's completing four years of hostilities in China was featured in the editorials of all metropolitan dailies in Japan. The *Japan Times and Advertiser* stated that "Japan has weathered the storm....the position in which this country finds itself at the end of the fourth year is the best proof of national efficiency and ability."

While admitting that "prolonged hostilities in China have not been without effect on the economic and social life of the Japanese people," the paper nevertheless claimed that Japan, in spite of four years of war with all its damage and strain, is today very much stronger and more productive than four years ago."

Colonel Hayao Mabuchi, Chief of the Army Press Section of Imperial General Headquarters, stated that settlement of the China war, no matter what sacrifice is entailed, remains the pivotal center of Japan's national policy.

"The China affair and the World War are part of the same battle and cannot be separated," Colonel Mabuchi declared. Japan, by successfully settling the China Affair, can hold the balance and decide who shall be victor and who the vanquished in the World War, he asserted.

He further pointed out that Japanese troops are now occupying 3,000,000 square kilometers of territory in China, or seven times the area of Japan.

End to Conflict Sought

Lieut.-Gen. Tojo, Japanese war minister, paid high tribute to Japan's war dead and urged the Japanese people to renew their efforts to settle the "China Incident" as quickly as possible so as to prepare themselves for any eventuality that may occur as a result of the current European war.

Warm tribute was paid to China on the war anniversary by many leading newspapers in the United States. The New York *Herald-Tribune* termed China's fight a "magnificent answer to the spirit of ruthless aggression."

"Britain is stronger," the *New York Times* wrote, "because China has fought so valiantly. The splendor of China should help restore America's faith in the old trusted principles of human liberty." The editorials in all Scripps-Howard papers praised the national army of China and the national spirit.

The *London Times* acknowledged a debt of gratitude to "this ancient and unconquerable people" as well as admiration for its "prolonged and honorable resistance".

Chungking Bombed On War Anniversary

Ushering in the fifth year of the Sino-Japanese war, a fleet of 25 Japanese bombing planes raided Chungking on the morning of July 8, causing considerable destruction and many casualties. The premises of the British Embassy, badly damaged in a previous raid, were completely demolished, likewise the residence of the British Ambassador, Sir Archibald Clark Kerr, which suffered direct bomb hits despite the fact that it was painted a bright yellow to enable Japanese airmen to distinguish it.

Also demolished was the oft-bombed Press Hotel. The dining room and servants' quarters were completely destroyed by fire, while the annex of the hostel collapsed from near-by bomb explosions. The offices of Mr. F. T. Durdin, of the *New York Times*, Mr. L. C. Smith of the London *Times* and Mr. Gunther Stein, publisher of *China Airmail*, were all destroyed by fire.

The British Ambassador's study in the main building of the British Embassy was put out of commission by a direct hit. Another bomb landed close to the chancery, and the concussion caused the collapse of the ground floor, sending all the files, safes, and documents into the basement. It may be recalled that on June 29 three buildings of the British Embassy were hit and four members of the Embassy staff, including Sir Arthur D. Blackburn, Embassy Councellor, were injured.

Theater, Library Destroyed

A theater was destroyed in the July 8 raid and the Boone Library, housed in the compound of the Methodist High School, was also demolished together with the residence of the Chinese superintendent of the school.

The two-square-mile area in the western suburb, which had been the main target of Japanese bombers many times, was reduced to a shambles, leaving homeless thousands exposed to the summer sun, with no water or electricity available.

Air Defense Headquarters estimated that well over 1,000 bombs were dropped during the previous five days inside a two-mile-square area around the Press Hostel.

Despite the fact that the Press Hostel had already been reduced to a mere skeleton of its former self, it was still the headquarters of the *United Press*, while foreign correspondents continued to use the shattered building.

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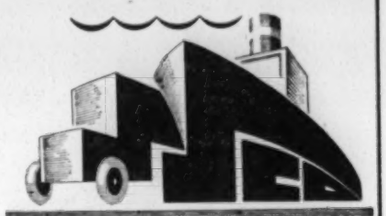

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Bomb Explosions Mark Celebration Of Fourth China War Anniversary

Precautions taken by Japanese authorities on the fourth anniversary of the China War, July 7, proved insufficient to prevent bombing and shooting activity by Chungking supporters.

First incident to usher in the Anniversary was the explosion of a huge time-bomb underneath the Shanghai-Nanking tracks outside the city in Hungjao. The bomb exploded at about 1 a.m. July 7, tearing up approximately 45 meters of track and demolishing 15 sleepers located just 100 meters south of Great Western Road.

Barracks Bombed

A second bomb in the form of a hand-grenade was thrown near the Japanese gendarmerie barracks on Poong Lai Road in Nantao at 5 p.m. the same day. No report concerning casualties inflicted by the explosive or of further guerilla activities in the South City could be had, because all communications between Nantao, even the telephone, were almost completely suspended at once.

Final explosion of the celebrations occurred shortly after midnight that evening when a time bomb went off in the premises of the **National News**, a pro-Nanking press organ located at 1926 Bubbling Well Road. One male Chinese was wounded in the chest by shrapnel while another was deafened by the roar of the explosion. A fire which broke out in the office of the **National News** was extinguished by firemen before an excessive amount of damage was caused.

A shooting involving Danroku Nanizaka, a Japanese cook employed in the Japanese Naval Attache's Office, was reported on the eve of the China war anniversary. The cook was shot in the hip and leg by a lone gunman as he was walking along Kinchow Road about 40 yards north of Ward Road. Nanizaka was rushed to the Japanese Naval Hospital where his condition is said to be satisfactory. The Chinese gunman escaped.

Foreign Areas Quiet

Precautions taken by Settlement and French Police in their sections of the city on July 7, evidently succeeded in confining terrorism to the Japanese-held districts since no political shootings or bombings were reported in either the Concession or non-Japanese-held Settlement areas.

Japanese plainclothtes men, with French permission entered the home of Chow Tsung-liang, No. 3 Route Pottier, on July 4 and arrested Mr. Chow's wife and daughter for an undivulged reason. The women were taken to Hongkew and are being detained by the Japanese.

A kidnapping which may have been Japanese motivated occurred on July 5 when Victor Gorlinsky, a Russian bodyguard, was abducted from Foh Ling Li off Kiukiang Road by a band of three Koreans. The Koreans and their victim were taken to Japanese Gendarmerie Headquarters after they entered the Hongkew area at North Station. Gorlinsky was recently employed by A. R. Lusey, American manager of Press Wireless, who departed recently for the United States on furlough.

Most brutal crime of the week was the killing of a Russian watchman and the injuring of two others by a band of 20 ruffians who attempted to break into the factory of the China Car and Foundry Company, a British concern located at 25 Kwong Foo Road in Chapei.

The watchman who lost his life was shot through the heart while the other men who were helping guard the premises received severe scalp wounds. The gangsters, all Chinese, were well armed and evidently bent on robbery.

A second shooting brought death to Mr. Chang Zong-ching, an employee in the Sincere Company's insurance office. He was fatally shot in front of the Grand Theater on Bubbling Well Road by a lone gunman at 9.35 a.m. July 3. The victim was riding in a ricsha when the attack occurred. No motive has been ascertained for the murder.

Japan Ratifies French Indo-China Accords

The Privy Council of the Japanese Government on July 3 ratified a convention on navigation and an agreement concerning customs tariff, trade and methods of payments which were signed by Japan and France on May 5 with regard to French Indo-China, according to **Domei** reports from Tokyo.

Simultaneously, ths Privy Council ratified protocols between Japan and France, as well as between Japan and Thailand, concerning guarantees and a political understanding which were signed on May 9 when the peace treaty between France and Thailand on the basis of Japan's mediation terms for settlement of the Thai-French Indo-China border dispute was signed.

The following day, an inter-bank agreement was signed between Mr. Toshikata Okubo, governor of the Yokohama Specie Bank and M. Paul Gannay, inspector-general of the French Indo-China bank, at the Tokyo office of the Yokohama Specie Bank. The agreement provided for the opening of piastre and yen accounts to facilitate settlements between Japan and French Indo-China.

Based on the economic agreements forced upon Indo-China on May 6, the new inter-bank agreement will be effective for three years and will remain in force for another year unless either of the contracting parties notifies termination six months before its expiry.

Mr. Toyosaku Hirose, Vice-Minister of Finance, declared concerning the inter-bank agreement that it will force exchange transactions between the two nations to be in yen and will promote commercial relations along the lines of "co-existence and co-prosperity of East Asia countries."

Spain's Dictator Given Degree by P.I. University

An honorary degree was conferred on General Francisco Franco, Spanish dictator, by the University of the Philippines, according to a **Transocean** report from Madrid on July 4. The degree was handed to General Franco at his residence by a delegate of the University. The recipient "expressed his best wishes for the prosperity of this educational institution and thanked the Spanish overseas institutes for their work on behalf of the unity of Spanish culture," the German agency said.

Soviet Women, Children to Depart from Japan Soon

About 100 women and children, wives and families of Soviet citizens residing in Japan, including those of Soviet embassy officials, will depart for Moscow via the Trans-Siberian Railway in the near future, **Domei** reported from Tokyo on July 3. The departures were being arranged because of the "seriousness of the Soviet-German hostilities," the agency said.

U.S. Trade With Japan, China Down

Continuing the downward trend evidenced since the end of 1940, exports from the United States to Japan in March were reduced to a value of $10,112,000 from $11,108,000 in February and $11,588,000 in January, according to the Department of Commerce in Washington. Compared with March 1940, there was a decline of $7,700,000. No shipments to Japan were recorded in March of this year for the following commodities, which, among others, are now subject to export license: iron and steel semi-manufactures (including scrap iron, tin plate, etc.), copper, aluminum, carbon black, ammonium sulphate, and potassic fertilizer materials. Declines from February values were registered in other leading commodities, notably raw cotton, petroleum products, lumber, and automotive products.

Exports to Japan for the first quarter of this year totaled only $32,808,000 compared with $62,906,000 in the corresponding period of 1940, a decline of 47.8 per cent. A major feature of the trade was the $17,000,000 drop in raw cotton shipments, occasioned mainly by Japan's reduced cotton requirements in view of declining markets for Japanese cotton goods. A substantial decline occurred also in exports to Japan of iron and steel semi-manufactures, which were valued at only $165,000 in the first quarter of this year against $9,009,000 in the January-March 1940 period. Scrap iron exports alone were reduced to a value of $5,000 from $4,789,000. A noteworthy decline was recorded also in exports of power-driven metal-working machinery, from $8,490,000 to $1,432,000.

Imports into the United States from Japan moved forward in March to a value of $10,488,000 from $8,127,000 in February and $335,000 in March 1940. The increase was occasioned principally by larger purchases of raw silk. However, the value of raw silk imports for the first quarter of the year, totaling $18,551,000 was considerably below the January-March, 1940 total of $24,266,000, although the volume of imports was slightly larger. The reduced value is reflected in the total imports from Japan for the first quarter of this year which amounted to $29,006,000 against $39,527,000 in the same period of 1940. Recessions occurred also in imports of tuna fish, crab meat (from $2,637,000 to $209,000), crude camphor and electric lamps.

Trade With China

March exports from the United States to China declined from the comparatively high level of February, totaling $6,431,000 and $8,887,000 respectively, but were still well over the January total of $4,669,000. Petroleum products and aircraft and parts featured in the decline, but substantial gains were recorded in March exports of automobiles and parts.

Exports to China for the first quarter of the year amounted to $19,988,000, a decline of $5,000,000 compared with the same period of 1940. Most of the decline occurred in shipments of raw cotton and leaf tobacco, which were the leading items in the 1940 trade. Aircraft and parts, petroleum products and automotive products now lead the list of exports to China. Shipments of these commodities for first quarter of the year showed substantial gains over the corresponding period of 1940. On the basis of Chinese customs returns, it appears evident that a large part of this trade was destined to "Free" China.

March imports into the United States from China advanced by $1,200,000 over February, while imports for the first three months of the year, totaling $20,030,000, were not far below the January-March, 1940 total of $22,849,000. Although March imports of tung oil advanced over February, the three months total of $1,090,000 was still considerably below the $6,687,000 registered in the first quarter of 1940. Raw silk imports for the first quarter of the year also declined, to a value of $2,496,000 from $3,638,000. Although bristle imports were lower in March, the three months' total advanced to $2,600,000 from $1,336,000 in the first quarter of 1940.

Hongkong and Kwantung

There was a slight revival in U.S. export trade with Hongkong in March, and shipments for the first quarter of the year totaled $6,546,000, a gain of 36 per cent over the corresponding period of 1940. Major increases occurred in shipments of machinery and vehicles, chemicals and related products, and miscellaneous items.

Trade restrictions in Manchuria during the past two years have reduced U.S. trade with Kwantung, through which a large part of American trade with Manchuria flows, to negligible amounts. Exports for the first quarter of 1941 totaled only $1,265,000 against $1,940,000 in the first quarter of 1940. The trade so far this year averages less than half the trade recorded in the first quarter of 1939.

Viceroy Extends Life Of Indian Assembly

The anemic character of India's democracy was revealed once more this week when the Viceroy and Governor-General, Lord Linlithgow, issued an anticipatory order extending the life of the present Legislative Assembly for a further period of one year from October 1, 1941, when the previous extension order, issued on June 22, 1940, is due to expire. The Viceroy also ordered extension of the life of the Council of State to Oct. 1, 1942. Ordinarily it would expire in February, 1942.

Violence Flares in U.S. Milk Strike

Violence flared last week in a vast strike by milk farmers in the eastern part of the United States, according to reports from New York. At Rutland, Vermont, a sheriff was killed when attempting to break a milk blockade which the farmers had established to prevent supplies of the fluid from reaching New York. More than 24,000 litres of fresh milk were dumped out on the highways by farmers' pickets. Clashes also occurred between farmers and non-union milk truck drivers at Utica, New York. The farmers are trying to force the milk trust to pay them higher prices.

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THE ANGLO-CHINESE DISPENSARY

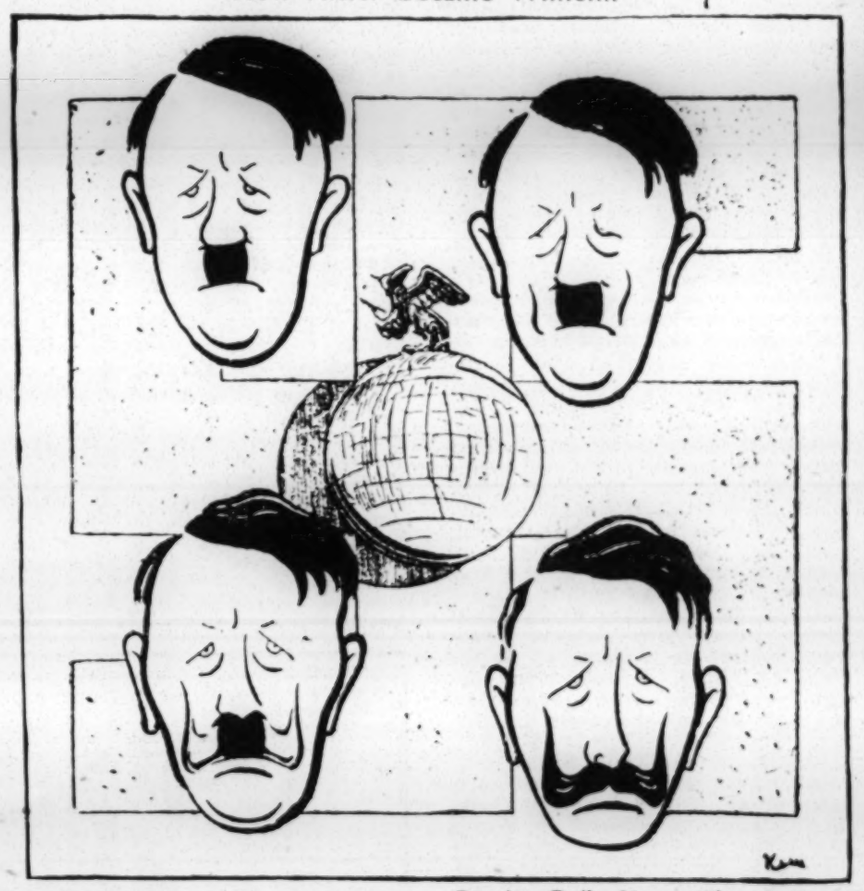
MANUFACTURING CHEMISTS
SHANGHAI

(Continued from Page 174)

thrown back around Ukhta, 145 miles south of Kandalaksha and 40 miles inside the U.S.S.R. from Finland's new eastern border. The Russians further claimed to have forced retirement of German troops from the vital Kexholm region 80 miles north of Leningrad on the Karelian Isthmus.

The best divisions of German troops have been bled dry during the first two weeks of the Russo-German war, according to a *Tass* Moscow report. While repudiating Nazi claims of high Soviet losses in men, tanks, and planes, the *Tass* report stated that the best divisions of the German Fascist armies have been smashed by the Red army. The German casualties are alleged to number not less than 700,000.

"How Hitler Became Wilhelm"



Russian Daily News (Shanghai)

Monarchist Restoration?

Chancellor Adolf Hitler's plans in the event that his troops should capture Moscow and Leningrad and succeed in occupying all of European Russia were the subject of some speculation in London last week, *United Press* reported. News was said to have reached the London embassy of a state friendly with Germany to the effect that Herr Hitler intends to elevate Prince Louis Ferdinand to the throne of Russia. Prince Ferdinand is the second son of the German crown prince. He once worked in a Ford factory in the United States and is the husband of Princess Kyra, sister of the Grand Duke Vladimir, pretender to the Tzarist throne.

Chances of a monarchist restoration in Russia were the subject of a statement by a spokesman of the Wilhelmstrasse on June 30, reported in Shanghai by the *Transocean* agency. The spokesman declared: "Germany is not waging a war of restoration, but a defensive struggle against Bolshevism." This statement was made in reply to foreign correspondents who wanted to know whether White Russian emigres in Germany and German-occupied territory would be afforded an opportunity of fighting against the Soviets and to form volunteer corps for this purpose.

The Berlin spokesman drew attention to the fact that apart from the question of a restoration of the Russian monarchy, which was one of principle, the White Russians were divided among themselves, are not a homogeneous body, and that it would be difficult to organize them.

The Soviets are not so cool as the Germans to White Russian overtures, judging by a *Reuter* report from London on July 5 which said that M. Ivan Maisky, the Soviet Ambassador, was receiving hundreds of letters from White Russians in Britain, offering their services in the war against Germany, many enclosing their life's savings to assist the Soviet cause. The money was returned, said *Reuter*, but the Soviet embassy recorded the names of those volunteering, "ready for the time when it will be possible to use their services."

Nippon Freighters Ordered Back Home

Exercising its power to control the country's merchant marine, the Japanese Government last week ordered freighters engaged in the transportation of defense materials from the Philippines to the United States to return to Japanese ports for re-routing. This is the first practical step taken by the government following its decision to curtail shipping services because of the war-time emergency.

Four freighters were immediately affected by the order. Two of them, the Kyusyu Maru and the Bordeaux Maru, were in Kobe en route to America when the order was announced. They were at once commanded to unload their cargoes of chrome ore in Japan. This ore, banned for export to Axis countries such as Japan, will probably remain in the hands of material-hungry Nipponese factory owners since the cost of re-shipping is prohibitive.

Another ship, the Nizima Maru, was loading chrome ore in Manila at the same time, but was unable to sail for Japan with its valuable cargo because customs authorities refused to grant the vessel clearance papers until all the ore was removed from the holds.

A fourth freighter, the Sydney Maru, was also taking on chrome in a southern Philippines port when last heard from. It did not respond to calls asking it to make its whereabouts known, so the vessel was presumed to be en route to Kobe.

The Philippine Customs authorities, endeavoring to plug the leak of strategic licensed materials to Japan, revealed that all Japanese vessels will be searched prior to departure in the future.

N.Y.K. Refuses Bookings

The requisitioning of Japanese bottoms is expected to extend far beyond its present bounds. The N.Y.K. line has lent credence to this belief by refusing to book freight or passengers for sailings later than July. Some of the company's ships are allegedly being transferred to the Dairen run.

Mr. Tanizo Koyama, Japanese parliamentarian and former vice-foreign minister, resurrected the spectre of Japanese aggression either southward or northward when he told Manila reporters that the withdrawal of Japanese ships is in retaliation for the United States restriction on the exportation of Philippine strategic materials to Japan. He asserted that the ships would be sent where they can get what the government wants

The Far East will be further isolated if British plans to transfer to the Atlantic Norwegian vessels engaged in the Oriental and trans-Pacific trade are carried out. The move, while seriously contemplated, is being protested by Philippine shippers who are now faced with additional difficulties in marketing their products.

Meanwhile the United States, after a brief prohibition following outbreak of the Syrian fighting, has again granted Vichy permission to carry American products to North Africa in French ships. One restriction is placed on this trade, however. The tonnage of French vessels tied up in American ports must be the same at all times. This means that every French ship leaving American waters for North Africa must be replaced by a ship of equal tonnage.

Treasure Island Station Removed to Bellmont

KGEI, the Treasure Island radio station at San Francisco, which broadcasts programs for the Far East, has been removed to Bellmont, California, south of San Francisco. However, the new studio will be located in the Fairmont Hotel in San Francisco. The station was constructed and operated by the General Electric Company on Treasure Island during the San Francisco Fair. Recently it became necessary to move the station because the naval authorities required the island as a naval base. The station has been broadcasting personal messages from friends and relatives in the U. S. for which no charge has been made. Former residents of the Orient who are now in America write brief letters to their friends in the Orient and hand them to the director of the station who broadcasts them between 6 a.m and 7 a.m., which corresponds to 11 p.m. to 12 midnight, Shanghai daylight saving time.

Protestant Churches in Japan Are Fused

The Japanese authorities succeeded, according to report from Tokyo on July 5, in forcing the amalgamation of all Protestant churches in Japan—with the exception of the Anglican Episcopal and the Seventh Day Adventists, who decided to withdraw from the country rather than submit to forced amalgamation. According to **United Press** the new church will be known as "Church of Christ in Japan." The Rev. William Axling, honorary secretary of the National Christian Council of Japan, which was a coordinating body for all denominations, stated the formation of the new church means the passing of "western denominationalism from the Protestant picture in Japan." He said that the development was of outstanding significance, not only to the Christian movement in Japan, but for the Christian Church in all lands, "setting a new pattern and goal for divided Protestanism throughout the world." The new church will have 10 branches, composed of major denominations as temporary measures within the framework of the united church, but all previous denominational terminology will be eliminated. The arrangement has been made in order to permit the leaders of the various groups to adjust their financial obligations, properties and pension systems. Mr. Axling indicated that the most important function of the new church will be to represent the church in its relations to the Government and the general public. The organization will hold one general conference and elect one president who will hold office for two years. The first head of the church will be the Rev. H. Tomita, pastor of the Shiba Church. The Associate Director will be the Rev. M. Kozaki, while Bishop Y. Abe will be President of the Organizational Conference and Chairman of the Executive Board. Foreigners will not be permitted to hold executive positions and all denominational groups joining the new united church must cease receiving financial support from the United States or other countries. It also was reported that the new church would shortly begin sending missionaries (Japanese) to areas of China which are occupied by the Japanese Army.

Development Corporation Formed in Shansi

The Japanese announced in Tokyo the early formation of a Shansi Development Corporation, which will have a capital of Yen 50,000,000. The purpose is to merge into the new company all enterprises which have been seized from the Chinese and have been operated by the Japanese military authorities. The industrial enterprises which the Japanese military seized, according to **Domei**, included several hundred plants which had been established by General Yen Shi-shan, former governor of Shansi, who was ousted by the Japanese militarists. The enterprises include spinning and weaving mills, match factories, tobacco and timber concerns, hide and fur curing and exporting firms.

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Independence Day

(Continued from Page 178)

must offer to those fighting our fight."

Britons in England celebrated July 4 for the first time in history. American flags were unfurled side by side with British while letters published in London newspapers suggested that the day be celebrated as "Freedom Day" or "Friendship Day," demonstrating the common ideals of both nations.

The main celebration was held under the auspices of the American Society in London where Mr. John G. Winant, American Ambassador, spoke on The Star Spangled Banner as a symbol of faith and reality. Present at the celebration were Mr. Ernest Brown, British Minister of Health, and New Zealand Prime Minister Frazer.

Selecting Independence Day to pay tribute to Americans who "died that England might be free," the British unveiled a tablet in the crypt of St. Paul's Cathedral in memory of Pilot Officer William Meade Fiske III of New York City, the first American to die in this war.

Ceremonies in France were brief, with Rear-Admiral William D. Leahy, American Ambassador to Vichy, declining to take part in them. A few Americans and Frenchmen gathered at the monument to American War Dead at Clermont-Ferrand.

President's Warning

In America, President Roosevelt broadcast a warning of the danger of dictatorship. He declared that the United States in 1776 waged a war in behalf of the principle that a government should derive its just powers from the consent of the governed. This principle of human freedom he asserted, had swept half way around the world when in the past few years several new practices of tyranny grew up to threaten it.

He went on to state, "It is indeed a fallacy for any American to suggest that rule by force can defeat human freedom in all parts of the world and allow it to survive in the United States alone.....That is why we are engaged in serious, mighty and unified action in the cause of the Hemisphere and freedom of the seas."

"We need not unity alone, we need speed, efficiency, toil—and an end to back-biting and sabotage which runs far deeper than the blowing up of munitions plants.

"I tell the people of the United States solemnly that the United States will never survive as a happy, prosperous oasis of liberty in the midst of a desert of dictatorship."

President Roosevelt, in concluding emphasized that the American people should pledge allegiance to the flag with a "deep conviction that we pledge as well, our work, our will, and, if necessary, our lives."

Canada Said Blocking Great Highway Project

A **Transocean** report from Washington on July 4 said that the authorities of Western Canada had blocked the construction of a highway from the U.S. across Canadian territory to Alaska, despite the fact that the U.S. had offered to defray all costs. The reason for the Canadian action was not stated. Representative Diamond from the Alaskan Territory stated in Congress July 3 that Canada had evaded all efforts on the part of the U.S. to start construction of the contemplated highway. Mr. Diamond declared there was urgent need for the highway because of possible repercussions which might follow a German victory over Soviet Russia. He said the highway would be needed for the defense of Alaska. The U.S. for several years has been promoting the construction of a highway extending the entire length of the North and South American continents.

Famed Arctic Explorer Passes Through Shanghai

Sir Hubert Wilkins, widely known British Polar explorer and aviator, passed through Shanghai last week on his way to Hongkong and Australia. In an interview in **The China Press,** Sir Hubert said that his trip to the Far East was for the purpose of investigating economic and weather conditions "for the purpose of making productive efforts fit in with meteorological changes." He stated he had visited in Japan, Manchukuo, Peiping and Tientsin prior to coming to Shanghai. He hoped his investigations would "lead to long-range forecasting of the weather so as to enable people to learn of meteorological changes before they occur." Sir Hubert is of Australian nationality and has been honored by various countries for his explorations in the northern and southern Polar regions. He also received a decoration for his services in the first World War.

Japan to Send Mission to S.A.

The Japanese House of Representatives has sent a goodwill mission composed of six members of the house to South America. The group departed from Tokyo on the N.Y.K. liner Heiyo Maru and was scheduled to arrive at Los Angeles July 19. The members will spend four months inspecting conditions in various South American countries. According to a report from Tokyo referring to the mission, it was stated that Japan hoped to increase her trade with South America in order to make up for losses which had been suffered beause of the war in Europe. Japan's latest trade blow resulted from the closure of the trans-Siberian route to Germany. The members of the party included Mr. Juji Kasai, a graduate of the University of Chicago and a former student of International law at Harvard. He has been a member of the Tokyo Municipal Administration and served as an adviser to the Japanese Employers Delegation at the First International Labor Conference held at Washington, D.C. in 1919. He has made several trips to the U.S. in recent years. The delegation plans to fly from Los Angeles to Mexico City following which they will proceed to Panama and then to Colombia and Peru. They will then proceed to Buenos Aires by Pan-American Airways. They will also visit Santiago, Chile; Rio de Janerio and San Paulo, Brazil. They will return to the U.S. by way of Miami, Florida and then fly to Los Angeles and return to Japan on the Asama Maru.

Chungking Makes Offer To Chinese Students

The Ministry of Education at Chungking has offered to pay the traveling expenses of graduates of middle schools in Shanghai who wish to pursue advanced studies in West China, according to a **Kuomin** report from Chungking July 4. Any Shanghai student desiring to continue his studies in Chekiang Provincial University will receive a grant of $100 while those wishing to proceed to Kwangtung and Yunnan will receive $300 each.

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Peru, Ecuador Clash In Border Dispute

Western Hemisphere solidarity was threatened this week by the outbreak of an undeclared war between the South American countries of Peru and Ecuador on July 7.

Serious fighting broke out between the two countries when Peruvian air and artillery units began attacking the Ecuadorian border towns of Auas, Verdes, Huaquillas, and Carcabon.

The conflict is reported by **United Press** to be the direct result of a July 5 attempt of Peruvian workers to take possession of lands "clearly within Ecuadorian territory." After being advised by the local garrison to leave, the workmen are said to have fired on them, killing two and wounding ten.

Peruvian quarters, however, according to **Domei** reports, blame Ecuador for the outbreak of fighting. The Peruvian Foreign Office announced July 7 that Ecuadorian troops simultaneously attacked military outposts located at Agudes, La Palma, and Le Chugal the morning of July 5.

Minor border clashes have apparantly been occurring, unknown to the outside world for nearly a week. A dispatch boat from Guayaquil reported that it was attacked from a low altitude on July 2 but managed to drive off the attacking plane. Fighting on July 5 and 6 was alleged to be especially intense, with the Ecuadorian Ministry of Defense reporting that Peruvian planes had destroyed the garrison at Huaquillas.

The border clashes are growing more serious daily although the Foreign Offices of both countries, with Chile attempting to play the role of mediator, are endeavoring to halt the hostilities before they develop into a major battle. The United States, Argentina and Brazil are also making every effort to induce the two nations to reach a peaceful settlement of their dispute.

Restoration of peace may prove difficult, however, since both countries have rushed troops to the border, and President Arroyo del Rio of Ecuador has ordered general mobilization of the armed forces. Moreover, thousands of demonstrators are said to have milled in the streets of Guayauil shouting, "Down with Peru!"

Real cause for the conflict dates back to 1563 and involves a dispute over territory in southern and eastern Ecuador which both nations claim and have consistently refused to split equally. Partial settlement of the dispute was arranged through arbitration in 1936 at Washington, following several years of border clashes.

Death Sentence Given To Pass Counterfeiter

Yu Pai-chin, age 24, was sentenced to death by the local Japanese military when found guilty of selling faked Japanese military passes and cholera inoculation certificates, **Domei** reported on July 7. Hwa Ying-shan, a 52-year-old silk broken and alleged accomplice of Yu, was sentenced to five years' imprisonment. The pair were said to have disposed of thousands of fake passes at prices ranging from one yen to 40 sen, and fake cholera inoculation certificates at 15 sen apiece. The counterfeit passes purported to have been issued by the Nantao office of the Shanghai Special Municipality, the Shanghai Special Service Section of the Japanese Army, and the Sungkiang District Government of Kiangsu Province. The inoculation certificates bore the name of the Shanghai Epidemic Prevention Committee.

Japan Establishes New Controls Over Exports

Japan's trade control framework was expanded on July 5 when the Ministry of Commerce and Industry announced the addition of 71 commodity items to the export control list and the introduction of a licensing system applicable to exports of 340 specified articles to markets outside the yen bloc.

Principal commodities affected by the licensing system are cotton yarn and fabrics, rayon yarn and textiles. Exports of all items on the license list are to be monopolized by 30 authorized agents comprising export promotion companies and export guilds, according to **Domei.**

In contemplation, the same Japanese agency reported this week, is the establishment of complete government control over Japan's coal industry in order to overcome the difficulties of "maldistribution and shortage."

That commercial circles in Japan are somewhat perturbed by the extension of the export licensing system to countries outside the yen bloc, was indicated by the **Chugai Shogyo,** leading Tokyo financial daily, which in an editorial on July 8 expressed the fear that this would seriously damage the structure of Japan's foreign trade, especially when the postwar readjustment period arrived.

"World trade flourishes under free conditions," the journal declared. "Exports, by their nature, represent mutual commercial exchanges and governmental control should therefore be kept to a minimum." Predicting a destructive trade war in the post-war readjustment period, the journal warned against the tendency for Japan to concentrate her trade within the yen bloc and thus undermine her foreign trade development.

Settlement Bus Fares Going Up 65 Per Cent

Adding yet another burden—and a sizeable one—to those already being borne by the local Chinese population of the poorer class, the Shanghai Municipal Council has authorized the China General Omnibus Co. to increase the average fare charges by 65.54 per cent as from July 14. The company holds a franchise from the S.M.C. giving it a monopoly of bus transportation in the International Settlement. Increased cost of all materials and additional allowances to the company's employees were the factors advanced as justification for the new and heavy increase in fares.

There have been numerous public complaints of overcrowding of the Settlement buses. The older of the company's vehicles are dirty and dilapidated and give off clouds of noxious fumes as they rattle along the streets. These vehicles, too, are overcrowded in complete violation of safety requirements.

Retail Prices Continue Rising in Dai Nippon

Retail prices in Japan are continuing to rise, according to the results of a survey published this week by the Japanese Ministry of Commerce and Industry, the average standing at 63.4 per cent above the level of June, 1937. The price advance in June, as compared with May, was 0.2 per cent, while the advance as compared with June, 1940 was 3.1 per cent.

Three major cities of Japan recorded drops in prices in June as compared with May, the survey showed. Tokyo prices were down 0.3 per cent, Osaka 0.1 per cent, Kobe 1.5 per cent. In Yokohama prices rose 0.9 per cent, Nagoya 0.5 per cent, Nagasaki 0.5 per cent.

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Outstanding Events in the Sino-Japanese War A DAY-TO-DAY SUMMARY

First installment of this day-to-day summary constituting a complete record of outstanding events in the Sino-Japanese war on all fronts appeared in the September 11th (1937) issue of The Review.

June 23

Fighting between Nazi Germany and Soviet Russia, which began yesterday with a terrific Nazi assault on Soviet territory along a 1,700-mile front, has caused a considerable upset in Tokyo in view of Japan's contradictory treaty obligations to the two belligerents. Meetings of the Cabinet and fighting services are called to decide Japan's policy in the suddenly transformed situation.

Thirteen Japanese aircraft were destroyed on an airfield at Ichang, Hupeh, by Chinese artillery fire from across the Yangtsze, the **Central News Agency** reported, adding that Japanese artillery answered the fire and the duel lasted two hours.

For the first time 27 Japanese planes raided Sinning, capital of Chinghai Province, from Shansi bases.

Central also reported that two Japanese pursuit planes were shot down near Lanchow, capital of Kansu Province, one plane bearing the number 394 and the name "Mitsubishi."

Extensive Japanese aerial operations were also carried out in Szechwan province when 27 raiders bombed Sungpang, seven machine-gunned Yiping, and 18 reconnoitered over Chengtu, Nanchung, and Enshih.

In conformity with her settled policy of aiding the democracies at war with the totalitarian states and in the interests of her national security, the United States should immediately ban exportation of all grades of gasoline, foodstuffs, and scrap iron to Japan, the **Shen Chow Jih Pao** editorially declared.

Commenting on the United States' policy towards the Far East, the journal said that it is contradictory to express sympathy with China, on the one hand, and and to supply China's adversary with munitions on the other. Concluding, the journal pointed out that the reason why Japan hesitates in carrying out her southward expansion is not the appeasement policy of America and Britain but her own shortage of war materials.

A joint statement was issued in Tokyo by Wang Ching-wei, president of the Nanking Government, and Prince Konoye, Japanese premier, stressing the "great task of reconstructing East Asia." The statement was largely based upon the "three principles" enunciated by Konoye in 1938, namely, good neighborly and amicable relations, common defense against Communism, and economic collaboration.

⁂

June 24

The Chungking Government is not as weak as some Japanese think, according to Chow Fu-hai, vice president of the Nanking Executive Yuan and concurrently finance minister, who accompanied Wang Ching-wei on his present and second visit to Japan. In a signed article in the **Asahi** he urged Japan to alter her economic policies in China if the Nanking regime is to gain confidence of the Chinese masses and cooperation of Chinese capital.

Onpu and Maoming, important cities on the Luichow Peninsula, were severely bombed by the Japanese planes and numerous fires started, according to the Japanese South China Sea Fleet.

The Shanghai **Mainichi** reported that Major-Gen. Yang Chung-hwa, had surrendered with his 15,000 troops to the Japanese forces.

The Third National Financial Conference holds its sixth and closing session at Chungking. The important decisions are: (1) abolition of miscellaneous taxes (2) extension of rural credit system, and payments of taxes in kind; (3) strict compliance with the Generalissimo's instructions—complete harmony and collaboration of the nation's financial, land and food policies with a view to balancing national expenditure with revenue and consolidatitng the economic foundation.

Group of Japanese naval bombers under Commander Funada heavily attacked Tahu, strategic point 60 kilometers west of Anking in Anhwei province, the press section of the Japanese China Seas Fleet announced.

Silence prevails on all the China war fronts following termination of the Japanese offensive in the Chungtiao mountains, Shansi Province.

Wang Ching-wei, president of the Nanking Government, and his suite left Tokyo for Kobe en route to Nanking. Chow Fu-hai, Nanking finance minister, and his staff remained in Toyko to hold economic parleys with Japanese leaders.

Domei reported that the Supreme National Defense Commission at Chungking had met for the past several days at the Generalissimo's residence to exchange views regarding the swiftly changing international situation following the outbreak of the Nazi-Soviet war. The prevailing note, **Domei** added, was special caution regarding Chungking's stand, although support to Soviet Russia and Britain was being advocated by the press.

⁂

June 26

Bonds amounting to $120,675,414 were sold during the first period of the solicitation of subscriptions, Dr. H. H. Kung, Minister of Finance, announced at a mass meeting held at Chungking.

Japanese Army aircraft blasted Lungchow in Kwangsi Province because of the increased activities of Chungking troops along the Chinese-French Indo-China border, **Domei** stated.

The Tokyo **Yomiuri** reported that Sir Archibald Clark Kerr, British ambassador to China, disclosed to a group of Chinese leaders that the United States, Britain and the Chungking Government had concluded a military alliance.

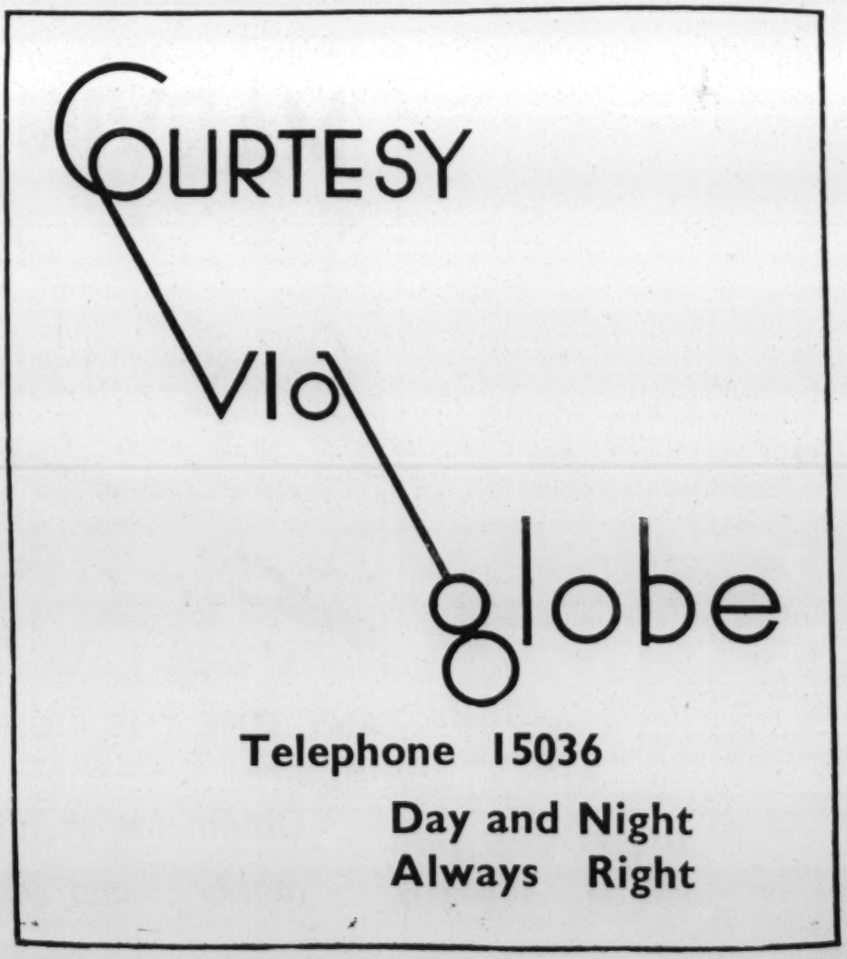
Telephones were being installed in the various local air-raid dugouts at Chungking for communication between the Air Defence Headquarters and the dugout guards, **Kuo Min** reported.

⁂

June 27

Severe fighting has been raging at Yangtsi (Puchow) the southern terminus of the Tatung-Pukow Railway in southwestern Shansi, between Chinese and Japanese troops. Filtering into the city, Chinese guerillas set fire to the Japanese military depot.

Wang Ching-wei, president of the Nanking Government, on his return voyage to Nanking from Tokyo, delivered another speech when he reached Kyoto, in which he stressed the "spiritual aspect of Sino-Japanese economic cooperation", saying that Japan has taken up the responsibility of "elder brother"



to guide China to co-existence and co-prosperity with her, the Nanking **Central Press Service** reported.

Japanese naval units withdrew from Singchuan in eastern Kwangtung after completing "mopping up" operations against the Chinese guerillas, thus "paralyzing this South China center of Chungking arms supplies," the press section of the Japanese China Seas Fleet reported.

Dr. Quo Tai-chi, new Chinese foreign minister and formerly Chinese ambassador to Great Britain, arrived at Chungking from Kunming by plane and was greeted by 200 officials, including the majority of foreign ambassadors in Chungking.

⁂

June 28

The official **Central Daily News** at Chungking editorially urged a joint offensive of China, America, Britain, and U.S.S.R. to crush Japan before she will have had time to attack Siberia. "Thus Moscow will be able to concentrate her energy on meeting the invasions of her western front," the journal said.

A loan of Yen 300,000,000 is extended to the Nanking Government by Tokyo for the "reconstruction of China," it was officially announced.

Wang Ching-wei, president of the Nanking Government, with his suite returned to Nanking by plane after a nine-day official visit to Japan.

⁂

June 29

The buildings of the British Embassy in Chungking were blasted into ruins and several members of the Embassy staff, including Sir Arthur D. Blackburn, were injured when a fleet of 54 Japanese bombing planes raided the wartime capital in several waves. The American Methodist Episcopal Hospital was badly damaged by a direct hit, but there were no casualties.

A warning to foreigners that they must take the consequences of remaining in Chungking, and intimating that Japan could entertain no complaint if they were injured or killed, and their homes and places of business destroyed, was voiced by the semi-official Tokyo newspaper, the **Japan Times and Advertiser.**

The Tokyo **Kokumin Shimbun** editorially demanded that the Japanese government make a clear definition of the geographical limits of Japan's co-prosperity sphere because possible extension of Axis hegemony into Asiatic Russia would bring Japan face to face with "a grave problem." "If the Axis sphere was to include the U.S.S.R. the Near East and Africa," the paper declared," there is no reason why Germany and Italy should not recognize Japan's influence over India, Australia, Iran, Iraq, Saudi Arabia and Soviet territory east of the Urals."

Concession Employees to Swear Loyalty to Vichy

All Frenchmen employed by the French Municipal Council, governing body of the French Concession in Shanghai, will be required to take an oath of allegiance to the French Government at Vichy, according to an order published on July 4 by M. Henri Cosme, French ambassador to China. The order also applies to French employees of France's concessions at Tientsin, Hankow and Canton. Employees will subscribe to the oath in writing, pledging their loyalty to the French state and its leader, Marshal Henri Petain, and promising to abstain from any action detrimental to the French nation. Anyone refusing to take the oath will be dismissed from municipal service.

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Who's Who in China

Lei Wei-chien, government official and author, born at Chengtu, Szechwan, 1907; attended National Tsing Hua University, Peiping, 1925; went to Tokyo for advanced studies, 1930; professor of literature, National Chi Nan

Lee Wen-chien (Li Wei-chien)
李惟建

University, Shanghai; chief literary editor Chung Hwa Book Company, Shanghai; special editor, the "I Shih Pao" and the "Shih Shih Sin Pao", editor of the "Crescent Moon," then published by Dr. Hu Shih and the late poet Su Chih-mo; private secretary to Huang Chi-lu, chairman of the Kuomintang Provincial Executive Committee of Szechwan, 1937; member of the Szechwan Provincial Provisional Assembly since 1939; author of "Love Letters," "The Shadow," "The Prayer," "The Resurrection of Life," etc.; Address: Szechwan Province Provisional Assembly or 82, Chin Ho Street, Chengtu, Szechwan.

Taku Tug Company Sells Out to Japanese Firm

The Taku Tug and Lighter Company, one of the largest British firms in Tientsin, has sold out its prinipal assets to a Japanese combine for the sum of £250,000, it was announced last week. All the company's tugs and lighters, with the exception of two vessels previously transferred to the British Admiralty, will pass to Japanese ownership, likewise the company's wharf. A **Reuter** report pointed out that various companies which have used the company's services, including oil importers, will henceforth be dependent for continued service on the goodwill of the new Japanese owners.

Many Germans Now Stranded in Japan

A large number of German nationals are stranded in Japan as a result of the outbreak of the Nazi-Soviet war and the impossibility for them to proceed home by the Trans-Siberian Railway, according to the Tokyo press. The **Asahi** stated that there were already 100 Germans at the Imperial Hotel in Tokyo, plus 50 others living elsewhere in the city. In addition to these, 400 others were expected to arrive in Japan from the Netherlands East Indies by the N.Y.K. steamer Asama Maru.

Men and Events

The Tokyo Foreign Office announced last week the appointment of Kiyoshi Yamagata as Minister to Chile. Mr. Yamagata formerly served as Minister to Venezuela.

•

Dr. John Earl Baker, American engineer and famine relief expert who is Chairman of the Transportation Supervisory Committee for the Yunnan-Burma Road, arrived in Chungking from Kunming July 5 in order to participate in negotiations for the centralization of highway administration in West China.

•

Dr. Hsia Chin-lin, Counsellor of the Chinese Embassy at Washington who recently returned to Chungking in company with the new Foreign Minister, Dr. Quo Tai-chi, brought with him a medal which had been awarded to the **Ta Kung Pao**, leading Chinese daily newspaper, by the School of Journalism of the University of Missouri.

•

O. K. Yui, former mayor of Shanghai and now Political Vice-Minister of finances, in an interview at Hongkong July 5 stated that China's financial position remains strong despite military expenditures required in China's four years of resistance to Japanese agression. Mr. Yui said that the recent National Financial Conference in Chungking would shortly lead to improvements in the various provinces.

•

Dr. Kumataro Honda, Japanese Ambassador to Nanking who went to Japan several weeks ago in order to arrange the details of the visit of Wang Ching-wei to the Japanese Capital, is scheduled to return to China next week. Chou Fo-hai, Finance Minister of the Nanking Government and head of the new Central Bank, who accompanied Wang to Tokyo, was scheduled to return to Shanghai this week.

•

Idle Chinese capital in Hongkong is estimated at HK$1,000,000,000, according to a report issued at a meeting of Chinese industrial and commercial leaders in that city July 6. The meeting was held for the purpose of discussing measures for the utilization of idle Chinese capital in reconstruction enterprizes in West China. The meeting adopted a resolution urging the Chinese Government to adopt measures for the encouragement of overseas investments in economic reconstruction in the Western areas.

•

The Chinese Newspaper **Kung Shang Pao** of Hongkong was awarded a gold medal of honor by the National Government on July 5. The award was made by the National Government in recognition of the newspaper's action in raising $800,000 through public contributions to the National Salvation Fund. The report stated that the newspaper "has shown the greatest enthusiasim in promoting the National cause, hence its staff deserves highest commendation."

•

According to a **Kuomin** report from Chungking July 6, published in the Chinese papers, the Chinese authorities at Chungking plan to open negotiations with various powers concerned for the abolition of extraterritoriality. The announcement was made by Chu Cheng, President of the Judicial Yuan. It also was announced that preliminary tests would be held on August 16 at various points in West China for the selection of judical officials. The report stated that 500 candidates would be selected for a period of intensive training following which they will be given secondary tests.

The Ministry of Education at Chungking recommended on June 25 the establishment of a National Teachers' College which will be located at Kweiyang, provincial capital of Kweichow.

•

Rear-Admiral Hector Boyes, who recently was appointed British Naval Attache in Japan, assumed his duties on July 2. He is 60 years of age and first visited Japan in 1910 while serving as Captain of a British warship attached to the China Station.

•

Cuthbert Olson, Governor of California, on July 3, signed a bill making it unlawful for aliens residing in California to inherit property. The measure recently was introduced in the State Assembly and, according to **Domei** report, will only be directed against aliens whose home countries fail to recognize the inheritance of estates and private property owned by citizens of the United States.

•

The Japan Spy Prevention Society, on July 7, distributed 30,000 posters throughout Japan for the purpose of "making the Japanese people aware of the fourth anniversary of Sino-Japanese hostilities. The report stated that the posters, printed in three colors, urged the Japanese people "to remember the China affair anniversary and at the same time to beware of spies." The organization has the support of the War Office.

•

The U. S. Federal Bureau of Investigation, early in the present month, arrested William Gustav Kaercher, naturalized American citizen, on a charge of spying and seditious activities. Kaercher was an employ of a gas and electric company. He pleaded not guilty. Two others arrested, Adolf Walischewski and Conradin Otto, who had been arrested in a previous round-up, pleaded guilty to spying activities.

Sir Victor Sassoon, well-known British financier, arrived in Hongkong July 6 from an extensive trip to the U.S. Sir Victor made the trip both ways across the Pacific by Clipper plane. After a brief stay in Hongkong he planned to proceed to Chungking for a conference with officials of the Government.

•

The British writer and diplomat, Bruce Lockhart, has been appointed Under Secretary Of State for Foreign Affairs, according to a report from London on July 5. It stated that Mr. Lockhart would be given the task of reorganizing British propaganda abroad. Mr. Lockhart was British Consul-General in Moscow during the World War and his bocks dealing with the situation in Russia were widely read.

•

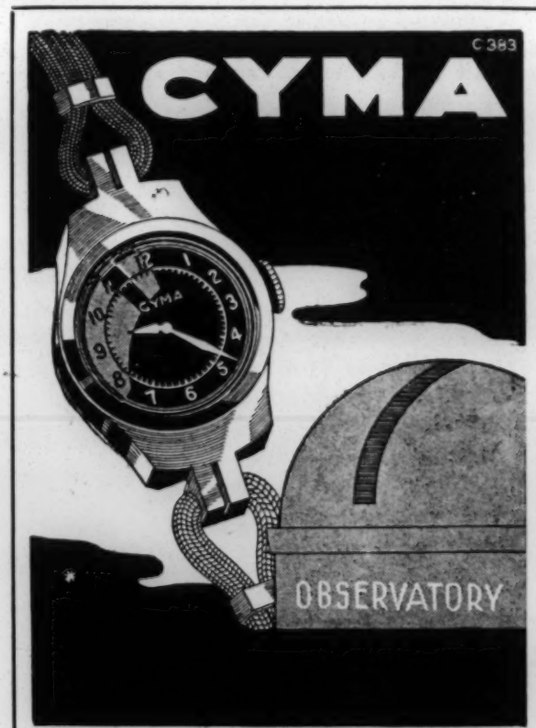
The Chungking authorities on July 3 recommened closure of the offices of the German **Transocean** News Agency operating in Chungking controlled areas, according to a **Domei** dispatch from Hongkong. The recommendation will shortly receive the attention of the government in connection with the severence of diplomatic relations between China and Germany.

•

Count L. di San Marzano, Italian Consul-General in Manila, announced his intention of closing the Italian Consulate-General in that city on July 10, following which he planned to proceed to Shanghai, where he intended to reside until he had received a new assignment.

•

Chinese citizens of the U.S. who were drafted in the U.S. Army were hosts at Camp Dix, New Jersey July 4 in honor of a group of prominent New York Chinese who visited the training camp. The Chinese Consul-General at New York, Tsude Chi-yu, urged the Chinese Conscripts to prepare to defend democracy anywhere in the world.



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Fred J. Brand, well known British resident of Shanghai for several years, died at Hongkong on July 8, 1941. He was 50 years of age. Mr. Brand was manager of the Hongkong office of the Hunt Engineering Corporation.

•

The Polish Legation at Shanghai has announced a Solemn Requiem Mass for the late Ignace Jan Paderewski, late president of the National Council of the Republic of Poland, who died on June 30. The mass will be held on Saturday, July 12 at 9 o'clock a.m., in St. Joseph's Church, 36 Rue Montauban. All friends and admirers of the great artist, patriot and statesman, have been invited to attend.

•

Herr Heinrich Kurt Nostiz, administrative clerk in the German Embassy at Washington, committed suicide by shooting himself at his quarters in the Embassy on July 2. The coroner delivered a verdict of suicide, following an investigation by Washington police. According to the Embassy spokesman, Nostiz had been ill for several months and was suffering from mental depression.

•

U. S. airplane builders announced on July 1 plans for pooling their resources in order to give the United States and Great Britain "an unprecedented" fleet of long-range bombers. Col. John Jouett (former head of the Hangchow Aviation School), now head of the American Aeronautical Chamber of Commerce, said that production of four-engined, long-range heavy bombers would shortly reach 500 a month. He said that planes of this type could easily convoy ships to Great Britain. The firms which have agreed to pool their resources in the cooperative effort include Boeing of Seattle, Douglas of Santa Monia, Cal., and the Vega Company of Burbank, Cal. They will concentrate on the Boeing B-17E bomber.

•

Judge N. E. Lurton of the U. S. Consular Court handed down a decision on July 2, involving false advertising and unfair trade practices, which was thought to be the first case of the kind ever tried here. The defendant, Mrs. C. M. Stewart, was accused of advertising in a local newspaper 150 radio parts which allegedly were new and in good order. The plaintif, W. Braunsberg, claimed that after he had purchased and paid for the articles, they failed to work satisfactorily. Two Russian experts, Roman Nicolai Nikitin and a Mr. Sevtoff, testified that the radio parts were inferior and in poor condition. Judge Lurton ruled that Mrs. Stewart should return the sum of $360.20 which she had received for the radio parts, and in addition should pay the court costs.

•

German residents of Chungking are faced with a serious problem in connection with their departure from China as a result of the severance of relations between China and Germany, as they cannot return to Germany because of the Russo-German hostilities. Also they cannot proceed to Hongkong. According to **Domei** all Germans residing in Chinese Nationalist territory numbering some 300 probably would proceed to Indo-China and then proceed to Japan or Shanghai. The number of Italians, consisting largely of Catholic priests, residing in west China was not thought to be large. The report stated that German rights and interests in west China probably would be entrusted to the diplomatic representative of the Holy See. It also was rumored in Shanghai this week that some 650 German refugees from the Netherlands Indies, mostly Nazis, might be brought to Shanghai instead of Japan as originally reported.

The Tokyo Foreign Office announced on July 1, the appointment of Teiichiro Takaoka as Consul-General at Tsingtao.

•

Dr. Shuzo Sato,, President of the Shanghai Science Institute, located on Route Ghisi, French Conession, departed for Japan last week on a business trip.

•

The North China Political Affairs Commission, Japanese-controlled organization at Peiping, has announced that the Japanese military authorities "will shortly hand over forty Chinese factories to the lawful owners." The Commission urged the owners of Chinese factoriese, "which are still in Japanese custody, to apply to the respective provincial government for restoration."

•

Titus Tsung Chen, manager for the last 15 years of the Chinese branch of the Chase National Bank in China Town in New York City, was sentenced to three years imprisonment on July 3 for the embezzlement of US$15,069 of bank funds. He admitted the embezzlement and stated that the money had been taken between December 10, 1940 and January 4, 1941.

•

William R. Johnson, who resided in Shanghai several years ago, died at Michaux, Virginia, on Friday, July 4, according to a telegram received by friends in Shanghai. Mrs. Johnson, who survives her husband, is a daughter of the late Judge and Mrs. Milton Dwight Purdy of the U. S. Court for China. Mr. Johnson was connected with the British-American Tobacco Company, but later joined Liggett and Myers and Tobacco Products Corporation. Recently he was connected with Philip Morris.

•

President Manuel Quezon issued an order on July 2 prohibiting the sale or use of unauthorized radio sets. The order, issued in the interest of Philippine national defense, prohibits further importation, sale or use of transmitters without approval of the department of national defense and requires registration of all receiving sets. President Quezon also included in his declaration the recent proclamation of President Roosevelt, establishing Subic Bay in Zambales Province, as a United States naval defense area. Navigation within the Subic Bay area is prohibited except by authority of the Secretary of the Navy.

•

The Rev. F. S. Russell of the English Baptist Mission, his wife and Miss Waddington, also of the mission, narrowly escaped death at Sian, Shensi, when the Japanese bombed that city late in May. A Japanese air bomb scored a direct hit on their house and completely destroyed it, but miraculously none of the inmates was injured. According to a delayed report published in the **North-China Daily News** from its correspondent in Sian, the walls, roof and everything in the Russell home were destroyed except the corner where they were standing. The report stated that the railway station was partly destroyed and also numerous houses.

•

The famous city wall at Mukden, highest and strongest of any Chinese city, is being demolished, according to **Reuter** report from that city. The wall is 30 feet high, 16 feet wide at the top and 26 feet wide at the bottom. The work of removing the wall will take five years and will cost a million dollars, stated the report. The only part of the wall which will be preserved is the Ta-Nan Gate, through which Field Marshal Oyama made his triumphant entry into the city following the battle of Mukden in which the Czarist Russian forces were defeated. The Japanese military authorities plan to make the gate a national war memorial.

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Major-General C. M. Maltby of the British Army has been appointed General Officer Commanding of the China Command, with headquarters in Hongkong. He will succeed Major-General A. E. Grassett. Major-General Maltby was previously stationed in India.

•

All highway administrations, including transportation and engineering bureaus, are to be placed under centralized control of the National Military Council's Transport Control Board, according to announcement from Chungking on July 5. The report stated tha the centralization program would include the vital Southwest and Northwest Highway administrations. The new board is headed by Gen. Ho Ying-chin, Minister of War, with two vice-chairman, General Yu Fei-pin, Quartermaster General and Chang Kia-ngau, Minister of Communications. The development was part of the program to improve communications throughout Nationalist controlled territory.

•

A French **Havas** message from Tokyo on July 1 said that there are 100 Germans residing at the Imperial Hotel in Tokyo, who recently arrived in Japan from various South American countries and the United States. Some 50 other Germans were also expected to arrive at the Japanese capital shortly. It was thought that the German Nazis would remain in Japan until they could go to South America in the hope of reaching Germany by way of the Atlantic, although they would be in danger of arrest by the British in the event their ships were intercepted on the Atlantic. Many of the Germans will remain in Japan, or they may come to Shanghai in the hope of obtaining jobs with German companies. The opening of a Nazi Embassy in Nanking will provide jobs for several diplomatic officials.

It was announced in Chungking July 2 that an infant boy believed to be the reincarnation of the late Panchen Lama, spiritual ruler of Tibet, has been discovered at Lihua in Hsikang province. The report was made by the Mongolian and Tibetian Affairs Commission at Chungking and stated that the child, named Mau-Tu-Teng To-Chi, was born on November 2, 1938. He is now staying at a monastery at Hsikang pending his official recognization as the Panchen Lama.

•

Major-General Chen Ching-yun of the Chinese air force has received instructions from Chinese authorities at Chungking to proceed to Singapore and elsewhere in the south seas for the purpose of raising money for the purchase of airplanes. Major-General Chen, who holds the post of Vice-Minister of Overseas Affairs, recently returned to Chungking from the U. S. where he raised several million American dollars for the Chinese air force.

•

Officials of the Shanghai post office announced on June 25 that the trans-Siberian mail route had been closed pending receipt of a reply from the Soviet post office as to the possibility of transmitting mail to Europe by that route in the future. The outbreak of war between Germany and Russia caused immediate cessation of mail transit over that line. According to a statement by local Chinese postal authorities, a consignment of 124 bags of mail was dispatched from Shanghai over the Trans-Siberian Railway on Saturday, June 21. Local postal authorities feared that the mail would never reach its destination as most of it was intended for Germany. Previously mail had been dispatched from Shanghai to Europe over the Siberian route four times a month. Practically all of this mail, after crossing Russia, passed through Poland. The report said that if the U. S. joins in the war all international postal routes may be closed.

•

The annual American observance of July 4 in Shanghai included a regimental parade and review by the Fourth U.S. Marines commanded by Colonel S. L. Howard, which was held at the Race Course at 9 a.m. Other numbers on the program included a reception by the American Association at the Columbia Country Club and a reception and buffet luncheon at the American Club. In the afternoon there was a baseball game between teams representing the American Amateurs and the Marines and a polo game at the Race Course. In the evening there was a radio broadcast over X.M.H.C., and X.C.D.N. presented in "March of Time" style. The festivities ended with a buffet supper and dancing at the Columbia Country Club. Dr. R. J. McMullen, chairman of the American Association, had charge of the program.

•

There was formed in Tokyo on July 6 another organization designed to unify and amalgamate, under Japanese direction, the various races of Asia. The new organization will be known as the East Asia Promotion League and will represent an amalgamation of 52 other organizations. The meeting was attended by some 3,000 delegates, including cabinet members and leaders of the National Service Association, which is Japan's counterpart for Hitler's Nazis and Mussolini's Fascists. According to **Domei** the East Asia Promotion League received its inspiration at a cabinet meeting last January, when it was decided to amalgamate all groups which were working for the new order iin East Asia. Among the groups participating were Tokyo representatives of the Japan-French Indo-China Association, Sino-Japanese Businessmen's League, Oriental Women's Educational Society, Asia Culture League, East Asia Construction League, Black Dragon Society, Patriotic Society, Japan-Mohammedan Society.

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New Books of Interest in the Far East

Tale of Trouble

JAPAN UNMASKED — By Hallett Abend. Published by Ives Washburn, Inc., New York, 1941.

Foreign correspondents in the Far East have found it more and more difficult to carry on their work because of the changed situation brought about by the wars in China and in Europe. As a result, many correspondents returned to their homes. Instead of "hot" news, they are now writing books. Instead of giving the public what is happening in the Far East, they are explaining in their books why things are happening in the present manner in China, in Japan, and in the South Sea Islands.

The book under review was written by one of the correspondents who found it necessary to return to America after fifteen years of work in China and Japan. The situation which forced him to "pack up and sail" as described by him should be of interest to all readers, as it shows the Japanese way of doing things. From what they have done to Mr. Abend, it is not difficult for one to decide whether **Reuter's** correspondent in Tokyo, Mr. Cox, was thrown out of the window by the Japanese or jumped out voluntarily to meet his death.

Mr. Abend was considered in China, by the Chinese, as pro-Japanese. He admits that "never since I have been in the Far East as a newspaperman has the Japanese Gvoernment made any complaint against me, never have they charged prejudice, unfairness or inaccuracy of reporting. In fact, it was only in mid-July of this year that their Consul-General in Shanghai, and their Embassy spokesman, too, told me that reports from their Embassy in Washington and from their Consul-General in New York classed my dispatches to the **New York Times** as 'more fair and just than any news reports coming out of China.'" That a newspaperman like Mr. Abend found it impossible to carry on his work and was threatened with assassination by the Japanese shows clearly how intolerable it is to live and work in a place dominated by Japanese influence.

Mr. Abend cultivated the friendship of many Japanese. It was because of his connections that he succeeded in reporting in advance the conclusion of the Tripartite Pact between Germany, Italy and Japan. It was also because of this "scoop" that the Japanese tried to kidnap and assassinate him. Because of Mr. Abend's friendship with many high Japanese leaders, the book under review is of particular importance, for it serves as a guide to the Japanese mind.

In the first part of the book, Mr. Abend gives a vivid survey of the situation in the occupied areas of China from Manchuli in the north to Hainan Island in the south; in Hongkong, where the British authorities have strengthened their defenses for a long siege; in Singapore which is Britain's most important naval base and fortress in the Far East; in the Netherlands East Indies, where the Dutch people have shown excellent courage since the conquest of their mother ountry.

In the second part of the book, Mr. Abend deals with the important strategic position of Hawaii; the anti-American movement in the occupied areas of China as well as in Japan; and the sufferings of the Japanese people because of the prolongation of the Sino-Japanese war. He describes in detail the evacuation of Americans from the Far East, including his own departure from Shanghai.

However, the best chapter of the book is about Singapore's censors. It is hard to believe that the British authorities in Singapore refused to cooperate with an American correspondent at a time when Britain is seeking American assistance in her war against the Axis. According to Mr. Abend's experience, the Singapore censors are not only not well organized, they do not know at all what they are doing. They even censored news reports which had already appeared in all newspapers. In one instance, Mr. Abend was invited to broadcast to American radio-listeners about the conditions in Singapore. The text of his talk was approved by the censors. However, he was finally forbidden to speak as Mr. S. W. Jones, Officer Administering the Government, did not like what he was to say. In other cases, it seems that the Singapore censors are utterly useless. Mr. Abend, before his departure submitted all his papers, documents, files, newspaper clippings to the Singapore censors. He had much difficulty in getting a permit to remove these papers from Singapore. However, to his astonishment, there was no one at the wharf to examine his papers and later in the day he had the hotel porter take to the ship two small steamer trucks, a wardrobe trunk, a suitcase and two gladstone bags—without any difficulty!

Mr. Abend believes that the recognition of the Wang Ching-wei regime by Tokyo represents the moral bankruptcy of Japan's leaders and the final abandonment of their last hope of breaking Chungking's resistance to a compromise peace. He believes that aside from the published text of the Tripartite Pact, there were three secret clauses. "First: In case of victory, Germany and Italy agree to use their influence to assist Japan in acquiring complete control of French Indo-China and of the Netherlands East Indies. Second: Germany and Italy pledge themselves to mediate between China and Japan after the close of the war in Europe. Third: Germany alone agrees to use her 'fullest political and diplomatic good offices' to help effect the conclusion of a binding non-aggression pact between Soviet Russia and Japan." Whether the Tripartite Pact has any secret clauses or not, no one can say for sure. Apparently, the third secret clause quoted above has become a reality, for through the good offices of Germany, Japan recently concluded a pact with Soviet Russia.

The book is probably the best about the situation in the occupied areas of China and the "hot spots" in the South Seas. The reviewer's only criticism is that the author failed to describe the situation in Free China. C. F.

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In the United States Court for China

AGAPITO YRABDOLAZA CELIS, *Plaintiff,* vs. TACIANA LAGUADOR CELIS, *Defendant.*	Cause No. 4598 Civil No. 2477 ORDER Filed at Shanghai, China, July 3rd, 1941. WILLIAM T. COLLINS Clerk.

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by his attorneys, Messrs. Rodger & Wiener, has this third day of March, 1941, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 3rd day of July, 1941, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 3rd day of July, 1941, the plaintiff herein filed an affidavit to the effect that the defendant is a non-resident of this District, and that defendant's last known address was Lucena, Tayabas Province, Philippine Islands.

NOW THEREFORE, it is this 3rd day of July, 1941, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the China Weekly Review, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 26th day of July, 1941, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

By the Court,

MILTON J. HELMICK,
Judge.

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Treaty Port Stamps

LOCAL POST OF CHINA—A Description of Stamp Issues of Various Periods in China Treaty Ports, by Dr. W. Rosenberg. Published by the Chinese-American Publishing Company, Shanghai. Price, U.S.$1.00 or Ch.$27.00.

This is said to be the first book on Chinese stamps published in China by an amateur philatelist in several years.

In the foreword, the author states that stamps issued in the Treaty Ports constitute a most fascinating study and that interest in these stamps is steadily growing. He gives various sources of information which helped him in the compilation of his work, including "Treaty Ports of China and Formosa" by Cap. H. R. Oilfield, LL.B., the "Specialized Catalogue of China and Treaty Ports" by S. A. Pappadopulo and the collection of Baron de Ginsbourg, lent to him by the Stephens Stamp Co.

The study, step by step, with the assiduity characterizing Dr. Rosenberg and his coadjutor Mr. Eric Mayell, covers all Treaty Port stamps. Thousands of stamps were examined scupulously; original sheets were scrutinized under a magnifying glass and all errors and varieties have been located and described in a concise way.

The prices are given in U.S. dollars which are based on Shanghai and international market prices and on prices paid by the author himself. Many prices were also taken from the approval books of dealers in Shanghai and abroad. In other words Dr. Rosenberg has indicated the philatelic market for these stamps for the benefit of the amateur.

The work is printed on best art paper and few books on Chinese stamps here or abroad can compete with the illustrations in natural colors and neatness of printing.

The author of "Local Post of China" has received many congratulatory letters and several societies have honored him, one of the highest honors being his election to the Royal Philatelic Society of London.

B. J.

Biographical Sketches

RULERS OF THE WORLD—By Maurice Crain. Illustrated by Louise Costello. Thomas Y. Crowell Company, New York. 1940. Cloth, 335 pages. Price, U.S.$2.50.

Biographical information about rulers and statesmen of the day often fills a real need, for with all our reading of the newspapers we find ourselves without facts it would be handy to have. Maurice Crain's book does not give a forceful presentation of personalities, but it does gives a good account, with very acceptable full-page portraits, of fourteen world figures: Winston Churchill, Roosevelt, Cardenas, de Valera, Neville Chamberlain, Mussolini, Hitler, Daladier, Franco, Kemal, Ibn Saud, Gandhi, Stalin and Chiang Kai-shek. Mention of Chamberlain and Daladier suggest the thought that many facts lose much of their interest for the average reader as they lose their timeliness.

The author's style is easy and illustrative. We have for example a picture of Winston Churchill in his school days at Harrow where "for three years"—and this sounds like Mr. Ripley of Believe it or Not fame—the young Churchill stood "last of his class in the lowest form." There is de Valera, born in New York, "an American citizen up to the very day he was chosen to lead the first independent Irish government. All his life, however, from the age of three, had been spent in Ireland, and he was barely able to remember America."

Kemal Ataturk, Ibn Saud, Gandhi, Chiang Kai-shek and Stalin—this must be the reason for the order chosen—stand for the rulers of Asia. But where, one might ask, is Mr. Crain's choice of a ruler for Japan? None is named.

Turning to the biography of Chiang Kai-shek one finds a sympathetic, informative account, dwelling upon the joint activity of the Generalissimo and Madame Chiang. "Few alliances between nations," says Mr. Crain, "have produced such profound results as this merging of the powers, energies and influence of two gifted people....Under their joint leadership the Chinese people—one fifth of the human race—have progressed further toward national unity in a dozen years than during the previous two thousand."

"For two years," Mr. Crain writes, touching the present war, "the Japanese had maintained their confidence. If only Chiang Kai-shek could be destroyed, they believed, China could be conquered." For more than twice that length of time the war has gone on and the Japanese are beginning to learn that Chiang Kai-shek cannot be destroyed, nor China conquered.

D. R.

Chiang Urges Sons of Gentry to Join Army

Indicating that sons of the rich in China have been dodging their obligation to do military service for their country, Gen. Chiang Kai-shek issued a circular telegram last week, urging sons of the gentry and public officials to enlist in the army. The message recalled a resolution adopted by an extraordinary congress of the Kuomintang in March, 1938, requiring public functionaries and the local gentry in various parts of the country to send their sons to military academies for training, and instructs provincial, municipal and district authorities to devise concrete measures for implementing this resolution within the current year. In the past there have been numerous scandals in which officials were brought to trial for selling military exemptions to sons of the gentry and officials, while sons of the poor were forced into the army.

Shake-Up Announced in Japan's China Command

The War Office in Tokyo announced on July 7 an important shake-up in higher army personnel in China. Lieut.-Gen. Jun Ushiroku, commander-in-chief of the Japanese Expeditionary Forces in South China was named chief-of-staff of the (main) Japanese Expeditionary Forces to China, replacing Lieut.-Gen. Seishiro Itagaki, who was promoted to the rank of full general and transferred to the command of the Japanese garrison in Korea in succession to General Kotaro Nakamura.

Also announced was the appointment of General Yasuji Okamura, member of the Supreme War Council, to the post of commander-in-chief of the Japanese Expeditionary Forces in North China, succeeding Lieut.-Gen. Hayao Tada, who was raised to the rank of full general and made a member of the Supreme War Council.

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